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# Latin America Report

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24 January 1985

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## INTER-AMERICAN AFFAIRS

### BRIEFS

CARIBBEAN SUGAR CHIEF--Chairman of the Guyana Sugar Corporation Harold Davis has been unanimously re-elected Chairman of the Sugar Association of the Caribbean (SAC) for 1985. Cde Davis was re-elected during the 1984 annual meeting of SAC at the Crown Reef Hotel, Tobago, this week, a press release issued by SAC said. The SAC meeting was preceded by a meeting of the Caricom Working Party on Sugar held at the same venue from November 16 to 17. For the first time, Belize attended the meeting as a full member of the association. Also attending for the first time as an observer was a representative of the Mauritian sugar industry. (GNA) /Text/ /Georgetown SUNDAY CHRONICLE in English 25 Nov 84 p 1/

CSO: 3298/239



ARGENTINA

FIRMS STOP DELIVERIES TO ARMY UNITS FOR NONPAYMENT

Buenos Aires LA PRENSA in Spanish 14 Dec 84 p 10

[Text] The Argentine Union of Suppliers to the State (UAPE) confirmed that a group of businesses has suspended supplies to units of the Army, while others associated with the nationwide entity are studying the possibility of making the same move as a protest against the delay in payments by the institution, which currently owes the equivalent of \$12 million.

Spokesmen for the UAPE indicated that businesses which supply the La Plata area "sent a note to President Raul Alfonsin informing him of the decision to cease providing supplies" to Army units because they "did not comply with the agreement" to pay their debts.

They also indicated that all the supply companies in the country will meet on Friday at UAPE's headquarters in the capital to hold an assembly and discuss the possibility of "suspending supplies to Army units on a nationwide level."

The spokesmen indicated that the Ministry of Defense and the UAPE suppliers reached an agreement last October whereby the Army would pay off its debts in seven installments beginning 10 November and ending 12 December, thus paying them off in 90 days.

The first two installments, 300 and 200 million pesos, respectively, were paid; but the following ones were not forthcoming, which led the UAPE to send a note of complaint to Defense Minister Raul Borrás. That note "was never answered."

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CSO: 3348/228



TEXT OF GOMEZ' MINORITY REPORT ON DRUGS COMMISSION INQUIRY

FL190040 Bridgetown CANA in English 2332 GMT 18 Dec 84

[Text] Nassau, Dec 18--Only one of three commissioners who spent the last year probing drug-related corruption in high places in the Bahamas, Barbados Anglican Bishop Drexel Gomez, isn't totally satisfied that none of the substantial payments made to Prime Minister Sir Lynden Pindling were not linked to narcotics activities [as received].

In a minority view that forms part of the final 500-page report tabled in parliament here, Gomez agrees with fellow commissioners former Bahamas Chief Justice Sir James Smith and ex-Assistant Commissioner of the Royal Canadian Mounted Police Edwin Willes that there was no evidence directly linking any of the payments to Pindling's involvement in drugs. But, says Gomez, a Bahamian: In my opinion, the circumstances raise great suspicion and I find it impossible to say that the payments were all nondrug related.

The other two members of the government-appointed commission said it was apparent that since 1977 the prime minister's expenditures...far exceeded his income. However, none of the known sources of funds made available to him appeared to have been drug-related, Smith and Willes wrote.

Following is the six-page text of Bishop Gomez' minority report on Pindling's finances:

1. Inspector Richter of the investigating staff of the commission explained the personal finances of Prime Minister and Lady Pindling for the period from 1st January 1977 up to 31st December 1983 and gave oral evidence and submitted a written report.

2. According to Inspector Richter, in the period examined by him deposits were made into their bank accounts of 3.5 million dollars over and above the prime minister's official income. The sources and amounts of the various items which made up this sum are as follows [in dollars]:

(1) Loans from Bank of Nova Scotia	1,055,000.00
(2) Proceeds of sale of the prime minister's house, Long Bay	439,003.42



(3) Part of two loans from Mr St. George and Mr Jack Hayward of Grand Bahama Development Company	750,000.00
(4) Loan from Mr George Barbar, resident of the United States	249,375.00
(5) Payments by Mr Everette Bannister (excluding direct payments to creditors of the prime minister to a total of 197,479.61 dollars)	473,500.00
(6) Identified deposits	341,573.75
(7) Unidentified deposits	181,479.83
(8) Cash deposits	57,342.00
Total:	[sic] 3,477,274.00

3. These figures were checked by Inspector Richter with his counsel Mr Bailey and representatives of the Bank of Nova Scotia and were accepted as being accurate.

#### The Loans:

4. The extent of the prime minister's indebtedness to the Bank of Nova Scotia in the latter part of 1982 was such that the interest payments on the bank loans and overdraft ranged from 7,000 to 8,000 dollars per month and, additionally, every month there was a mortgage payment of 4,500 dollars. These monthly liabilities far exceeded the prime minister's official salary.

5. As of 22nd March 1984 his total debt to the bank was 927,724.03 dollars. The transactions with Mr St. George and Mr Hayward of the Grand Bahama Development Company were effected in 1983. The loans were undocumented, unsecured, and interest free. Moreover, Mr St. George, in a letter to the commission of the 9th August 1984, indicated that a repayment of the amounts has been unconditionally waived.

6. Mr Barbar made his loan on the security of a second mortgage on the prime minister's new house, Lakeview.

#### Payments by Mr Bannister:

7. Between 1st September 1978 and the end of 1983, Mr Bannister paid a total of 674,979.61 dollars to the prime minister, 473,500 dollars directly and 197,479.61 indirectly to his creditors in his behalf. The following are the details of the payment [in dollars]:



(a) Direct payments:

1st September 1978	25,000.00
1st September 1978	21,000.00
3d April	227,500.00
20th October 1981	<u>200,000.00</u>
	473,500.00

(b) Payments to creditors:

3d April 1980 to Chee-A-Tow Ltd.	2,360.00
3d April 1980 to Bahama Holiday	12,158.61
3d April 1980 to B&A Construction Ltd.	91,961.00
27th February 1981 to Arnold Cargill	<u>91,000.00</u>
	197,479.61

Payments in 1978:

8. Neither the prime minister nor Mr Bannister could recall the transactions which gave rise to the payment of the two cheques totaling 46,000 dollars on 1st September 1978, and the source from which Mr Bannister got the money is not known. The two cheques were revealed to Inspector Richter in his review of the prime minister's bank records.

[FL190200] Payments of 3d April 1980:

9. These payments were made by Mr Bannister through his company, Yasmar Investments Ltd. and their source was a finder's fee of 580,000 dollars paid to Mr Bannister in respect of the sale of Paradise Island Bridge to Mr Fares. Mr Julian Maynard of Seligman and Maynard confirmed that the finder's fee was paid by his law firm to Bannister.

10. According to the prime minister and Mr Bannister, the payments by Mr Bannister were made towards settlement of a debt due to the prime minister as a result of an agreement between the prime minister, Mr Bannister, and Mr Garrett Finlayson in respect of the disposition of shares held on behalf of the prime minister in Bahamas Catering Ltd. The agreement was allegedly made in December 1975 and Mr Bannister and Mr Finlayson valued these shares at that time at 550,000 dollars. The prime minister's recollection was that Mr Bannister was to give him 650,000 dollars; 540,000 for Bahamas Catering and 110,000 for his holding in Independence 73 Ltd. Mr Bannister's recollection was of a figure of 110,000 or 300,000 dollars but he admitted that his mind was somewhat hazy.

11. The following should be noted about this alleged agreement:

- (1) It is undocumented;
- (2) The credibility of two of the witnesses is a matter of grave doubt; the commission has already determined that Mr Bannister is not a reliable witness and Mr Finlayson's credibility was seriously called into question



when he produced two identical statements for the commission, one typed on plain paper and the other typed on paper bearing Mr Finlayson's business letterhead;

(3) It requested Mr Bannister to repay the very substantial sum of 650,000 dollars at a time when his sole known source of income was 50,000 dollars per annum as a consultant to Resorts International;

(4) It was allegedly made despite Mr Bannister's failure to honour the legitimate debts of Bahamas World Airlines [BWA];

(5) It requested payment for shares that were worthless (shares in Independence 73 Ltd.);

(6) It requested the prime minister to give up his valuable holdings in Bahama's Catering Ltd. to Mr Bannister without securing any payment at the time of the agreement and without any repayment schedule.

12. No payment was made by Mr Bannister under the alleged agreement of 1975 until April 1980. The prime minister said that he had initially been expecting payment but as time passed he thought it was empty hope and, it appears, abandoned all idea of getting paid. For that reason he did not, in his return to the public disclosure commission, disclose it as a debt receivable.

13. Failure to so disclose it is as consistent when there having been no debt at all as it is with abandoned hope of being paid. It should also be noted that the prime minister readily admitted that he had not disclosed the payments made to him by Mr Bannister.

Payment of 200,000 Dollars on 20th October 1981:

14. The evidence revealed that in a written agreement dated 23rd September 1981, BWA (1974) and JEI Executive International, in which a Mr Sorkis Webbe apparently had an interest, entered into a contract for a joint venture to operate air charter services. By clause 5 of the agreement, BWA (1974) was to contribute 200,000 dollars and JEI 286,000 dollars towards the operating capital of this joint venture. On 13th October 1981, JEI contributed 295,000 dollars, of which Mr Bannister stated 275,000 was paid by cheque and 20,000 in cash and both sums were credited to the bank account of BWA (1974) on that day. On 12th October, [word illegible] bank account was overdrawn by 1,184.32 dollars. The two sums deposited on 13th October 1981 totalling 295,000 dollars provided the credit balance out of which 200,000 was paid by draft and deposited to the prime minister's account at the Bank of Nova Scotia on 20th October 1981. Two features about these transactions which should be noted are, first, the misuse by Mr Bannister of joint venture funds to the personal benefit of the prime minister, and second, the connection therewith of Mr Sorkis Webbe who, with others, was interested in a casino license in the Bahamas.



Payment of 27th February 1981 to Mr Cargill:

15. The evidence revealed that on 24th February 1981 the law firm of Rolfe, Knowles & Co. drew a cheque for 105,000 payable to Yasmar Investments Ltd. and, on 27th February 1981, Yasmar Investments Ltd. purchased a manager's cheque for 91,000 payable to Mr Arnold Cargill's company, B&A Construction Ltd., the contractor who built the prime minister's new house, Lakeview. The prime minister gave the cheque to Mr Cargill to be credited to the cost of building Lakeview.

[FL190220] 16. Mr Peloquin is the president of Intertel, a security management and consulting firm wholly owned by Resorts International. He gave evidence in camera before the commission and said that a payment of 120,000 dollars to Rolfe, Knowles & Co. was made at the request of Mr Duffus as an advance of legal fees for work that was being done by Mr Duffus for Resorts International. He assured the commission that he had no knowledge of the payment or any intention by Mr Duffus to make a payment from these funds to Mr Bannister.

17. Mr Duffus confirmed Mr Peloquin's testimony and explained that the request for an advance of legal fees was made to accommodate Mr Bannister, who had approached him saying that he was in dire financial straits, that he needed money urgently. Mr Duffus also stated that he felt obliged to assist, since Mr Bannister had previously given his firm a considerable amount of business.

18. The prime minister said in evidence that he was told by Mr Bannister that he (Bannister) had been approached by Mr Cargill for a loan but, while he was unwilling to lend the money, he was prepared to pay Mr Cargill if the amount paid would be credited to the cost of building Lakeview. The prime minister went on to say that he gave his consent and Mr Bannister gave him the cheque, which he gave to Mr Cargill.

19. The genuineness of the above accounts of the transactions is brought into question by the absence of direct testimony by Mr Cargill and the conduct of Mr Duffus. Mr Duffus did not answer the commission's summons to give evidence in public session after informing the commission in camera that, on checking his files, he discovered that his original explanation varied considerably from the evidence he gave to the commission in camera.

#### Unidentified and Cash Deposits:

20. Inspector Richter's statement listed two groups of unidentified deposits totalling 181,479.83 and 57,342 dollars. Two cash deposits from the latter group were subsequently identified. The prime minister identified a 16,000-dollar deposit on 21st December 1982 as a gift from his constituents. The deposit slip shows that the deposit was made up of 160 bills of 100 dollars each.



Conclusion:

21. There is no evidence directly linking any of the payments made to or on behalf of the prime minister to his involvement in drugs.

22. The real question here is whether it can be plausibly inferred from the circumstances that any of the payments were drug related.

23. I would think that those who deal in drugs are unlikely to make or receive payments on account of their activities in a way which could easily lead to identification of the source of the payments. So that the title given to payment does not necessarily indicate its true character.

24. In this case, there were substantial loans made, two of which were readily converted to gifts; there were substantial payments, including those made on 3d April 1980, from the proceeds of the finder's fee from the sale of the Paradise Island Bridge Company, being sought to be explained away by evidence which, in my opinion, was not truthful, and a transaction (relating to the disposition of certain Bahamas Catering shares) which never existed; there were very large deposits, unidentified as well as identified.

25. It is certainly feasible that all of these payments could have been made from nondrug related sources. But, in my opinion, the circumstances raise great suspicion and I find it impossible to say that the payments were all nondrug related. Some could have been but, however that may be, it certainly cannot be contested that the prime minister did not exercise sufficient care to preclude the possibility of drug-related funds reaching his bank account or being applied for his benefit. In the absence of inquiry he could have unwittingly received drug-related funds.

26. To this extent, at least, he left himself, in my opinion, open to criticism for lack of prudence by a person holding the high office of prime minister.

CSO: 3298/240



# REPORTAGE ON PRE-ELECTION POLITICAL ACTIVITIES

## Maneuvers of PUP 'Communists'

Belize City THE BEACON in English 10 Nov 84 pp 3, 10

[Text] The day and place were different. The scenario was the same. The communist wing of the party got hold of the party machinery and gave full party support to their boy, Everal Waight. He is among other things, the uncle-in-law of Musa.

This was supposed to make victory certain for Waight. Landy Harrison had other ideas. He took his case direct to the people. By so doing he took on the party hierarchy head on--a big undertaking when he was confronting a campaign financed by Russian money coming through Castro's Cuba. From there it comes either via Cancun or Panama.

The people of San Ignacio chose Harrison despite heavy pressure from the party "heavies" and rejected Waight convincingly. Waight was given special dispensation by government to leave his job--complete with pension, gratuity and goodies. The leftist were sure their man would win.

Their campaign manager Lightburn had used all his weight in favour of Waight. He could not find words to describe the frustration of the left in yet another in the series of reverses they have experienced over the past week. Time after time--anytime there was a contest--leftist candidates bit the dust and left them in disarray. The writing is on the wall and they have now recognised this fact. And it won't be long before they become real desperate.

This is not the season for communists and the projections for Alamilla and other fellow travellers are not looking bright. Yet their fight with Sylvestre, and Hunter and the other wing of the party continues unabated.

Meanwhile, Salvador Hernandez, the UDP representative is running a smooth and well-oiled campaign and victory seems to be within his grasp.

With the various reverses suffered by the left, people are watching for some disturbance during the campaign.

Two things are certain: (1) people are rejecting the communists and (2) supporting the United Democratic Party candidates.



## Report on TPP Meeting

Punta Gorda TOLEDO STAR in English 25 Nov 84 p 3

[Text] The Toledo Progressive Party (TPP) held a grand public meeting at Punta Gorda's Plaza on Wednesday night and the speakers were Welfare Officer Mrs Anade Avila, secretary Alejandro Vernon and Vice President Cecil Casimiro.

The audience listened attentively and applauded at certain moments in support of the speakers' views. Vernon, who chaired the meeting, apologized on behalf of the TPP for not holding a public meeting for quite some time.

### A Two-party System

Vernon told the people that it was now the time to establish the two-party system in Belize, which would guarantee democracy for all of us. In order to do this, he said, we should vote for the United Democratic Party (UDP) at the upcoming General Elections to be held on the 14 of December.

Vernon told the people that voting for PUP would only establish a dictatorship, and pointed out that if the only political party which can govern Belize (as the PUPs wanted the people to believe) is the PUP, then why should there be elections (?). However, the reason for elections was to allow another national party the opportunity to take the reins of government, and in case they did not perform to the satisfaction of the people, then they would have to be changed for the present party which would have five years to examine its conscience and mend its faults.

Alejandro reminded the electorate that great democracies like the United States of America and the United Kingdom had a two-party system working.

### Put Country Above Party

The time has come, said Mr Vernon, when we are to put Belize in the forefront and relax the PUP. He said the PUP had already achieved self-government and independence for Belize, and today, the objective should be to implement the new Constitution of Belize for a democratic Belize, and that the best manner to achieve this to vote for the party in opposition every five or ten years, thus giving a party five or ten years to govern, depending on its performance; but under no circumstance should the PUP continue to rule and overrule for more than the twenty four (24) years it has been governing Belize.

Vernon said the TPP may not contest the General Elections, but that they would partake in the Town Board elections for Punta Gorda.

### Select Good Persons

Mrs Ana Avila opened the TPP meeting with the party's Prayer, and went on to give a short speech, in which she told the people that they should begin to think about selecting good persons to administer their town's affairs.



She said the TPP was a good party, and that she would be coming from time to time to advise the people as the time drew near for the Town Board Elections. (Mrs Avila is an active member and lay-minister in the Catholic parish in Punta Gorda)

Cecil Casimiro took over the microphone and reminded the audience that they shouldn't fall for the PUPS' empty promises. He cited the manifesto of many years ago which promised this town a town clock, and we were still waiting for it.

Casimiro deplored the fact that year after year, the Garifuna Celebrations Chairman would present a petition to the government at the annual November 19th ceremonies, only to be assured by the government's representative that the requests would be looked into--but that the truth was that nothing was being done to alleviate the standard of living of the Garifuna people. He said we should not vote for PUP.

#### Esquivel Meeting With Businessmen

Belize City THE REPORTER in English 25 Nov 84 pp 1, 6A

[Text] A dedication to the philosophy of growth and careful and responsible management can alleviate the economic pressures confronting Belize and can get the economy and the country moving again.

This was the recurring theme of a policy statement made by the Leader of the United Democratic Party, Mr Manuel Esquivel at a well attended businessman's luncheon last Wednesday at Bellevue Hotel. Some 50 or so businessmen paid \$50.00 a plate to eat and to listen to the views of Mr Esquivel, leading his party for the first time in general elections against the PUP.

"We recognize the magnitude of the problem facing our country, and the limitations of our resources," the party leader said,... "but we refuse to consider that the die is irrevocably cast, or subscribe to any kind of fatalism."

Pointing out the differences between the challengers, the UDP and the incumbents, the PUP Mr Esquivel said UDP believes that the way the economic growth is to be found in private enterprise, and the most important goal is to stimulate economic growth and greater employment. The People's United Party, on the other hand, subscribes to a socialist ideology and shares the view, along with the communists, that economic justice can be achieved by equally dividing the pie, however, small the pie might be.

"In practice," he said, "this means that the poor remain poor and go hungry, because the economic pie, small to begin with, shrinks in a socialist environment."

"We at the UDP believe that the only way everyone can be satisfied is to make a bigger pie, so that even if some receive a larger slice than others, no one goes hungry."



"The wealth of a nation is not a fixed quantity. Wealth is a commodity that can be created and made to grow. Economic development depends on the joint and mutually beneficial efforts of government and people," Mr Esquivel said.

A bigger economic pie is not enough, however, the party leader pointed out. There must be honest, responsible stewardship and there must be an enlightened tax structure to remove inequities and eliminate unfairness which discourage investment and inhibit growth.

Concentrating on the former, Mr Esquivel said the UDP is of the opinion that there is a moral and legal responsibility attached to the fact that one is a custodian of public funds.

"Accountability and responsibility should be the guiding principles when efforts are made to use and allocate the finances which the party in power has at its disposal. In view of this belief, it will be the policy of the UDP to properly utilize and account for the financial resources for which it will be responsible. Honesty and trustworthiness will be the continuing principles guiding the UDP."

Speaking about taxes, he said an enlightened tax policy must go hand-in-hand with capital growth.

"A UDP government will revise the whole tax structure in order to remove inequities and eliminate the effects of unfair taxation which discourage investment and development. Immediate action will be taken to review taxes and duties on agriculture and fishing earnings and creating income tax-free zones in order to stimulate development in certain areas of the country.

"We reject the notion that government revenue can only be increased by heavier tax burdens. Rather it is increased investment, with the consequent increase of jobs and better personal incomes that increase government revenue."

During his talk Mr Esquivel came up with a new idea--a National Citizen's Bank, where Belizeans living abroad could save their money and could withdraw it as they pleased in whatever form they pleased. The funds would be protected by a formal commitment and the interest would be pegged to those prevailing in the country of origin. The idea was that many Belizeans abroad might have funds which they would want to invest in Belize. The Bank would provide a safe haven for imported funds this would help out with the new responsibilities of state, Mr Esquivel stated:

"The people who make up this party have managed to help to keep alive the spirit of freedom and democracy for more than 30 years in spite of every conceivable hardship and adversity. The people of this party have suffered crushing defeat, ridicule and victimization. But we keep coming back.

We have demonstrated that we have true grit. We are not quitters. And it is the very testing in the school of hard knocks that will enable us to serve our people through these hard times, and that will see us through to a better time for all Belizeans."



"We offer an opportunity ladder for the poor, not through handouts, but by helping them to escape poverty by building an economy that will create jobs. We assure just returns for the entrepreneur, both local and foreign. We guarantee the rights and dignity of the worker. Economic growth enables all citizens to share the wealth. The United Democratic Party wants nothing less for the people."

#### PUP Oath

Belize City BELIZE SUNDAY TIMES in English 2 Dec 84 p 3

[Text] I swear allegiance to the People's United Party, to its peaceful, constructive Belizean revolution, to its just objectives of a secure and lasting independence for Belize with sovereignty over all its territory under the Charter of the United Nations.

I shall do all in my power to fulfill these objectives in the quickest possible time in order to work the new Constitution of Independence and to create for all Belizeans a new and better society.

I shall do my best to work the mixed economy in order to build a prosperous democracy in Belize, a member of the Caribbean Community, the Commonwealth, the Nonaligned Movement and the United Nations.

I shall so dedicate my time, my ability, my work under God, with freedom, justice and charity to all.

So help me God.

#### PUP Manifesto

Belize City THE BELIZE TIMES in English 5 Dec 84 pp 1, 3

[Text] The PUP Manifesto for a time to set new goals points the way forward for Belizeans to advance to a better society. If poverty and ignorance is to end, if Belizeans are to enjoy a dignified existence, and if they are to have a real chance to become a part of the life and work of the free Belize, then we must have a PUP government in office. We must continue in the PUP way--the only way to progress.

The Manifesto refers to projects already in the pipeline, which a PUP Government will develop and construct. Many other projects already under way need the many years of experience of the PUP to complete.

Some of these projects are:

- (a) the ongoing bridge-building projects and road improvement;
- (c) the betterment of urban and rural communities by provision and extension of better housing;



- (d) public services to meet the five basic human needs of water plus food, shelter, health care, education, employment and security;
- (e) enlargement of the programme of water supply in rural and urban areas;
- (f) extending electricity to as many communities in the rural areas as possible;
- (g) continuing to make more land, financial credit and technical help available for the growing of food to make Belize self-sufficient in as many items as possible to produce and diversify commodities for the export market;
- (h) continuing the housing programme both in public and private sectors along with the projects of land reclamation and site preparation for housing development in both rural and urban areas;
- (i) using all available resources to extend and expand health care in all six districts;
- (j) more schools will be built continuing the cooperation between Church and State;
- (k) as the economy grows and more wealth is created, labour and management and investors will be rewarded by increases in wages, salaries and dividends;
- (l) with the expansion of electricity and the proper regulation of television broadcasts, more opportunities for education, security and recreation will be provided in both rural and urban areas;
- (m) transportation and communications will be improved when the plans for a better international airport are negotiated;
- (n) plans are in preparation and funds available to build new headquarters for the Central Bank and for Social Security.

The lists of projects are long and longer they will become as we address the needs of the Belizean people. For there is a need to tackle Belize City streets and drains upon completion of the WASA project; for streets in other large towns; for modern roadways and agricultural and industrial roads.

There is a need to expand shrimp and fish farming, a need to tackle deep sea fishing, to revive the forest industry, a need for expansion of industry to create development zones, to expand production, to increase exports and so on.



# Complete List of Candidates

Belize City THE BELIZE TIMES in English 5 Dec 84 p 4

[Text] Candidates in the Dec. 14 General Elections

<u>Candidate</u>	<u>Party</u>	<u>Electoral Division</u>
George Price	PUP	Freetown
Derrick Aikman	UDP	Freetown
Louis Humphreys	PUP	Caribbean Shores
Manuel Esquivel	UDP	Caribbean Shores
Ernesto Meighan	Inde.	Caribbean Shores
Jane Usher	PUP	Pickstock
Ramon Vasquez	UDP	Pickstock
Said Musa	PUP	Fort George
Dean Lindo	UDP	Fort George
Rafael Chavez	PUP	Albert
Philip Goldson	UDP	Albert
Ralph Fonseca	PUP	Queen's Square
Dean Barrow	UDP	Queen's Square
Ernest Staine	PUP	Port Loyola
Henry Young	UDP	Port Loyola
Myrtle Palacio	PUP	Mesopotamia
Curl Thompson	UDP	Mesopotamia
Remijio Montejo	PUP	Collet
Frank Lizama	UDP	Collet
Carlos Diaz	PUP	Lake Independence
Hubert Elrington	UDP	Lake Independence
Fredrick Hunter	PUP	Belize Rural North
Samuel Rhaburn	UDP	Belize Rural North
Louis Sylvestre	PUP	Belize Rural South
Jose Marin	UDP	Belize Rural South
Valdemar Castillo	PUP	Corozal North
Richard Quan	UDP	Corozal North
Gregorio Garcia	PUP	Corozal Bay
Israel Alpuche	UDP	Corozal Bay



Florencio Marin	PUP	Corozal South East
Concepcion Campos	UDP	Corozal South East
Evaraldo Puck	PUP	Corozal South West
Asterio Ortega	UDP	Corozal South West
Modesto Tapia	PUP	Orange Walk North
Ruben Campus	UDP	Orange Walk North
Elijio Briceno	PUP	Orange Walk Central
Lelis Carballo	UDP	Orange Walk Central
Guadalupe Pech	PUP	Orange Walk South
Onesimo Pech	UDP	Orange Walk South
Ramon Cervantes	PUP	Orange Walk East
Elodio Aragon	UDP	Orange Walk East
Orlando Harrison	PUP	Cayo North
Salvador Fernandez	UDP	Cayo North
Assad Shoman	PUP	Cayo Central
Eduardo Juan	UDP	Cayo Central
Hector Silva	Inde.	Cayo Central
Samuel Waight	PUP	Cayo South
Harold Flowers	UDP	Cayo South
Maclovio Alamilla	PUP	Cayo West
Pedro G. Mena	UDP	Cayo West
Simeon Sampson	PUP	Dangriga
Henry Anderson	UDP	Dangriga
Theodore Aranda	CDP	Dangriga
Allan Arthurs	Inde.	Dangriga
David McKoy	PUP	Stann Creek West
Theodore Castillo	UDP	Stann Creek West
Salomon Lewis	CDP	Stann Creek West
Leigh Usher	PUP	Toledo East
Charles Wagner	UDP	Toledo East
Vicente Choco	PUP	Toledo West
Basilio Ah	UDP	Toledo West



## Registration 'Scandal'

Belize City THE BEACON in English 8 Dec 84 pp 1, 5

[Text] While the UDP campaign continues to gain momentum amidst predictions of a big UDP sweep of the polls in next week's general elections, the campaign efforts of the PUP have been rocked by mammoth voter registration scandals, news of widespread election bribery and some startling stories of ministerial corruption and misuse of government funds, equipment and vehicles.

The biggest voter list scandal surfaced smack in the middle of Prime Minister George Price's Freetown Division, where hundreds of voters which belonged on the Caribbean Shores Division list were placed on the Freetown list, and hundreds belonging in the Freetown Division were found on the Caribbean Shores list. This is the colossal error that the Chief Elections Officer told UDP candidates was a genuine mistake, and which he claimed he could do nothing about.

But formal objections filed by the UDP candidates involved (Leader Manuel Esquivel and Derek Aikman) forced the matter before Chief Magistrate George Singh.

It took a pre-court briefing on last week Tuesday and three days of hearing before the mistakes, about which nothing could be done, was resolved by the court.

The hearings were unnecessarily prolonged, as election officials and their attorneys attempted to resist the UDP's attempts at total correction of the lists, including the removal of a number of dead persons. The first two days of hearings (held on Friday last and on Monday this week) lasted until 6:30 p.m., Tuesday evening's session was adjourned at 9:30 that night, and it took a final hour of hearing on Wednesday (December 5), the last day allowed by law, to complete the hearing of the final objections.

UDP campaigners insist that if the corrections were not made, they would have been a distinct advantage to George Price, whose division lost by a whopping 485 votes in last December's City Council elections.

With the Freetown list now much cleaner, political analysts are already predicting that Price will be the biggest casualty in next Friday's polling, as the UDP takes control of Central Government for the first time.

## UDP-Trade Union Meeting

Belize City THE BEACON in English 8 Dec 84 p 6

[Text] Belize City, Wed., Dec. 5: In the elegant setting of the Chateau Caribbean, UDP Leader, Manuel Esquivel met today with Trade Union Leaders from all over the country. In the two and half hour discussion that ensued, Mr Esquivel outlined the United Democratic Party's position concerning the vital role that labour must play for the development of Belize.



During this luncheon engagement Mr Esquivel, along with Curl Thompson (UDP Mesop.) and Hubert Elrington (UDP Lake Independence) explained how they envisioned labour working in close cooperation with employers within a free enterprise system. "The UDP is firmly committed to free enterprise for Economic Development," said Mr Esquivel. "But no one segment must benefit at the detriment of any other. Supporting free enterprise," he went on to say, "is not necessarily to the detriment of the worker. The free enterprise system is one in which the worker has the most chance for advancement."

Mr Esquivel went on to point to the position of labour in the free democracies in the world as against the depressed position of workers under totalitarian or communistic governments. He advanced the view that the solution for the worker in Belize is to increase the availability of jobs. "Economic and financial independence is basic," Mr Esquivel said, "if each Belizean is to enjoy his rights."

Talking about unemployment, Mr Esquivel blasted the unreal figures that the Price government, anyone who has earned anything in the past year was employed. That, Mr Esquivel pointed out is patently inaccurate. However, in that way the unemployed person who worked for one month, or one week of the year was categorized as "employed." He went on to say that real unemployment figures for Belize must be much higher than government admits.

Mr Esquivel assured Trade Union Leaders that the UDP would work in close consultation with Labour Unions in drafting legislation which would more clearly demark union/employer rights and responsibilities. ILO Conventions, he said, which the PUP government has disregarded will be ratified. Participatory democracy will be encouraged and political victimization which has been a daily factor of the PUP government will be absent from a UDP Administration. In underscoring this last point Mr Esquivel made reference to the impartial treatment all municipal workers has received under UDP Administrations throughout the country.

These discussions, unprecedented in the history of the Trade Union Movement in Belize, were conducted in a spirit of honesty and open-mindedness. The luncheon engagement was attended by Mr Cyril Davis and Mr Gilbert Andrews (democratic Independent Union), Mr William Tillett and Mr Carl Smith (Public Service Union), Mr Carlos Castillo and Mr George Frazer (Belize National Teachers Union), Mr Pable Lambey, Mr Hernandez and Mr Antonio Gonzalez (United General Workers Union, Dangriga), Mr Randell Bradley and Mr Michael Stephen (Belize Energy Workers Union), Mr Benjamin Augustus (Taxi Drivers Union), Eduardo Melendez and Mr Jaime Matar (Belize Workers Union, Orange Walk).



## Barrow Address

Belize City THE BEACON in English 8 Dec 84 pp 2, 11

[Text] The following is the text of a key-note speech delivered by UDP Queen's Square Division candidate Dean O. Barrow to more than 150 businessmen and party officials, members and supporters at a \$50.00 per plate luncheon sponsored by the Divisional Committee at the YWCA Hall on Saturday last week.

I would like to tell you briefly tonight what I think the UDP is all about, what our philosophy is, and how we hope to go about the process of the national reconstruction in Belize.

The United Democratic Party is essentially a free enterprise party, and for that we make no apologies. It is fashionable in certain circles nowadays, to criticise the mode of social and economic organisation which has come to be known as capitalism. But while we recognise that capitalism or free enterprise is not a perfect system, we also believe that it is the only system that sufficiently utilizes and rewards the notion of individual initiative. And we are convinced that the encouragement of individual initiative is the surest way to release the productive energies of a society.

We subscribe then to the theory of the magic of the marketplace. But we are also conscious of the fact that if it is pushed too far, it will result in disequilibrium, inequity and skewed growth. So that a UDP government would also have a fundamental duty to legislate for fairplay and for the entrenchment and protection of workers' rights. To ensure that there is a safety net to protect those who by force of circumstance remain at the bottom rungs of the economic ladder. A minimum standard of living must thus be guaranteed to all our people.

But without losing sight of that essential commitment, we will pursue the capitalist path to development. There will be no talk from us, as there is from the PUP about a mixed economy, for this is a term that gives rise to confusion, creates the impression that it is neither fish nor fowl, and produces a climate of uncertainty. It causes the entrepreneurs and investors to fear that a heavy-handed, big brother government will always be seeking to whittle down or regard the role of private enterprise in national development.

And we also differ from the present government in this respect. We have no fear of the foreigner, and no misguided sense of xenophobia will cause us, for example, to downplay the importance of tourism as a foreign exchange earner, and a crucial key to redressing our balance of payment problems. We require capital for our development plans, and capital of the foreign as well as the local variety, will always be welcome. If we are to establish meaningful, export-oriented agricultural expansion; if we are to provide import substitution programmes so that we produce what we consume, if agro industries are to flourish; if a manufacturing sector is to be established; if this country is to reach the take off stage of economic growth, a partnership with foreign



capital is a critical requirement. There simply is not sufficient local capital accumulation to allow us to go it on our own. And while we will seek to always preserve the national dignity in our relationship with direct foreign investment, we will also bear in mind that reckless, inflexible nationalism never yet filled any empty bellies or put food on tables. The UDP means to generate development and generate it by any legitimate means it considers necessary. What the PUP's have never realized, but what remains the guiding principle of the UDP is that you must first create the wealth before you can share the wealth.

Also, the United Democratic Party is committed to good government--to the elimination of corruption, or cronyism, and of victimization. We keep saying this and it sounds like a cliché and the impact of saying it has dulled because of constant repetition. But for us it remains a vital principle. International report after International report makes clear that one of the foremost constraints on development in Belize, has been pervasive corruption in the public sector. And if you think about it for a minute, you will realise the immediacy of that charge. How are you going to develop a country, how are you going to attract the investor, if proper infrastructure is not in place? If there is no guaranteed energy supply, no proper port facilities, an unsatisfactory water system, an inadequate road network, our country is always going to lag behind. But there is of course no uninterrupted supply of electricity precisely because the Electricity Board is treated as a ministerial fiefdom, a vehicle for profiteering and racketeering. The deep water port has proven to be inadequate, because the choosing of the site and the building of the facility, was influenced by political rather than economic considerations. And there is still no satisfactory interior road network, because the Public Works Department's road building programme is wasteful and inefficient. But what can you expect when ministers create a pork barrel system which the workers are obliged to comply with for their own survival.

And the civil service, the professional public managers in this country, are now dispirited and disgusted. Their ranks and their talents have been depleted by political interference. And the brain-drain from Belize is as much caused by victimization and favouritism as by the search for better economic opportunities abroad.

These are the things that must be set right if the country is to prosper, and the setting right of these things is what we have in mind when we talk about good government. This is what, for us, good government is all about.

We are saying then that both our philosophy of government and our practice of government would be different from the PUP. We envisage a development strategy that would make no bones about cherishing private enterprise, and that would commit itself to the role of capital both foreign and local, while respecting and protecting the rights of the worker. And we envisage a climate in which government would be scrupulous in honouring its commitment to provide the infrastructure and the managerial skills requisite for development.

The hallmarks of our administration would be honesty and accountability. We would be the servants rather than the masters of this nation and we would reclaim the Belizean purpose and redeem the Belizean soul. These then are the cornerstones of our vision. We think it is a just and glorious vision and we invite all of you to share that vision with us. Thank you.



U.S. ROLE IN ELECTION, ECONOMY DRAWS COMMENT, REACTION

'Interference' Charge

Belize City AMANDALA in English 30 Nov 84 p 2

[Editorial: "Recall Barnebey"]

[Text] The United States Government would be well advised to recall its Ambassador to Belize, Malcolm R. Barnebey who on Monday morning at the Port George Hotel, less than three weeks before critical general elections in Belize, delivered a blantly pro-PUP government speech to a conference on private investment.

Among the many incredible things Barnebey said to a joint conference of New Orleans and Belize businessmen were:

(i) "Belize has excellent leaders in its executive, legislative and judicial branches of government." Where does Barnebey have his head buried, in the sand? When you describe Louie, Joe, Freddie and the rest as excellent, you are contradicting the Auditor General, and the obvious facts of Belize's official corruption and backwardness.

(ii) "Belize...is on the verge of entering a period of diversified economic growth and prosperity."

Suddenly, after 25 years of PUP monopoly government and 3 weeks before general elections, Belize, a depressed and stagnant economy if there ever was one, is "on the verge" of entering prosperity.

Oh come on, Malcolm, COME ON!!

(iii) "Fair treatment is given to both Belizean and foreign investors."

This was the biggest and sickest joke of all. Jerry Kos and a legion of investors can testify, if the uninformed Barnebey wishes to hold a hearing, that they have been ripped off by Belizean Cabinet Ministers and that they have suffered extortion at the hands of Cabinet minions.

(iv) Barnebey said Prime Minister Price recently "assured investors that they can, whenever they so choose take out their investments and profits in U.S. dollars."



The fact of the matter is that nobody can take U.S. dollars out of Belize right now because there is almost no foreign exchange available.

Barnebey knows better. All in all, this was an unbelievably partisan performance by a foreign diplomat who has no right to interfere in Belize's internal politics. Malcolm is well aware his speech will be trumped far and near in the PUP news organs as political propaganda.

#### Help for Economy

Belize City BELIZE SUNDAY TIMES in English 2 Dec 84 pp 2-3

[Editorial: "About To Bear Fruit"]

[Text] The good and skillful work done by the People's United Party in Government, despite the worldwide economic crisis and fall in revenue, is about to bear fruit at a time when faithful to the democratic process the PUP goes to the people in a bid to renew the mandate.

During five years of government and three years of independence the groundwork has been laid for more economic development, which in cooperation with our international partners should provide more employment.

To encourage and promote development, the government has approved forty-one projects of which eighteen were approved this year. When these projects are accomplished they will give employment to hundreds of people.

Last week at a meeting with United States businessmen interested in helping to develop our economy, the U.S. Ambassador did his duty by informing these potential investors of the true state of affairs in Belize. As a competent representative of his government, Ambassador Barnebey was bound to give the facts which his Embassy gathered.

Describing the situation the Ambassador made three points: (1) Belize's private investment climate is excellent; (2) There are many opportunities for sensible profitable investments here; and (3) Belize, with the help of international aid donors--and hopefully through private investments by businessmen such as those visiting last week--is on the verge of achieving diversified economic growth and increasing prosperity.

Looking over the performance of the last five years we can see that the economic future of an independent Belize was enriched when the United Kingdom agreed to continue its economic cooperation programme, Canada increased CIDA programmes, AID of the United States opened its doors in Belize making a substantial contribution to the economy.

Membership of the World Bank and the International Monetary Fund helped to stabilize our economy. Continuing loans from the Caribbean Development Bank, introduction of the Caribbean Basin Initiative, the dedicated effort of the Belizean worker and the skillful management and experience of a PUP government combined to brace the Belizean economy against the onslaught of the world economic crisis.



Belize has survived. The Belizean dollar remains firmly and securely tied to the U.S. dollar. Inflation has been harnessed below three percent.

Yet the journey was not easy. Loans to small farmers by the DFC had to continue and increase. Sugar cane growers needed help to overcome smut disease and to plan new resistant varieties of sugar cane. To keep Liberated Sugar Factory open, government agreed to purchase seventy percent of the BSI. Battle after battle raged on many fronts to save sugar quotas. Membership of the General Agreement on Tariffs and Trade helped but did not close the gap.

The citrus industry, for many years in the doldrums, needed loans for small and large farmers to rehabilitate their groves and expand factory capacity. The grain industry grew with the installation of new silos, with the establishment of the Marketing Board's rice mill in the Toledo District, and with the rescue of Big Falls which faced bankruptcy.

The programme for coconut rehabilitation, the rescue of the Belize Beef Corporation for livestock processing were all government initiatives to prop up ailing private sector industries.

Wherever the private sector faltered, government stepped in to provide stability and to save the industry under the PUP policy of working the mixed economy.

In other areas, government led the way to provide stability and growth. Peanuts readily comes to mind, the livestock industry in which new markets in the Caribbean were opened; tourist and investment promotion at home and abroad, and at the international fairs and exhibitions, the opening of new markets in the U.S. under the Caribbean Basin Initiative for, among other products, beef and citrus; the extension of the cacao industry to small farmers and other performance.

These were gains in a turbulent region ravished by civil war and impoverished by one of the world's worst monetary crisis. These gains emerged from a deliberate strategy to keep inflation down, encourage production and lead investment into diversification.

Belizeans with the best interests of Belize at heart will no doubt want to renew the mandate so that the work of development can continue under the leadership of the People's United Party.

CSO: 3298/243



## GOVERNMENT RAISES REQUIREMENT FOR BANK'S CASH RESERVES

Belize City THE BEACON in English 17 Nov 84 p 3

[Text] The Central Bank of Belize acting under instructions of government has raised the level of cash reserves on deposits at all Commercial Banks from 5% to 7%.

The move is very significant because since it was sudden and the reserves must be caei and will not comprise bonds & treasury bills, the Commercial Banks have discontinued all lending from last week or so, to try to accumulate the cash reserve by end of year or suffer the consequences.

Another serious move by government was to legislate law to permit their government-controlled Central bank to make loans for (unlimited) periods in excess of six months. This is clearly a move by government towards the early creation of a Government National Bank and a possible future nationalization of the Commercial Banks. The whole sordid matter smacks of bitter communism and dictatorship, and will allow government to steep itself in more corruption and malpractices. Remember the many abnormalities in the Auditor General's Report?

It must be remembered that Central Banks are designed to serve as independent regulatory bodies for the necessary monetary and measures to protect the economy of the country. Central Banks are not to be lending agencies nor are they supposed to become government expenditure agencies.

To make matters worse for the Commercial Banks and the business community, government has proceeded to withdraw and transfer from the Commercial Banks to the Central Bank all funds of their Statutory and semi-government entities or agencies, i.e. the Boards etc. Are these monies to be used by government for anything including political campaigns without any questioning?

Are we really to believe that an IMF plan in fact is not being covertly implemented by our treacherous and deceitful government?

Indeed it is time for a change; it is high time for a new government before things get much more out of hand and it becomes too late to correct matters.

CSO: 3298/243



# IMF APPROVES \$14 MILLION ASSISTANCE PROGRAM

Belize City THE BELIZE TIMES in English 5 Dec 84 pp 1, 5

[Text] MONDAY, DECEMBER 3 1984

A meeting of the Board of Directors of the International Monetary Fund(IMF) held today in Washington, D.C., unanimously approved a \$14 million assistance programme for Belize. This assistance will be provided in three instalments over the next 12 months.

This assistance to Belize will go towards improving our balance of payments and will provide for fiscal adjustments to enable the economy to be revitalized.

According to an informed source the IMF programme for Belize came without any strict conditionality and indeed the IMF expressly ruled out the devaluation.

It will be recalled that earlier this year a team from the IMF vi-

sited Belize and met with a negotiating team set up by Government and headed by the Minister of Economic Development, Mr Said Musa, when the programme was fully negotiated and agreed on. Now that the programme has been approved at Board level it is expected that Belize will be receiving its first instalment within the next few days.

The Prime Minister as Minister of Finance welcomed the announcement from Washington as an expression of confidence in government's prudent management of the economy.

This IMF programme will form the pivotal base for a major economic thrust in development now being launched by government as we prepare for the next five years in office.



# AUDITS RAISE QUESTIONS ABOUT GOVERNMENT, ELECTRICITY ACTIONS

## BEACON Comment

Belize City THE BEACON in English 10 Nov 84 p 2

[Unsigned column "Viewpoint": "Audit Reveals Financial Mismanagement"]

[Text]

LAST week's *Amandala* and *Reporter* both carried reports on the Auditor General's review of government's spending for the year 1983, showing gross and scandalous mismanagement if not downright corruption and thievery.

This raises the very serious question for all voters at election time and for all times: who will manage your money?

As Minister of Finance, responsibility for the irregularities fall squarely on the jade of Mr. Price. There is firstly the principle of collective responsibility of government, which makes him as much as anyone else, responsible for what his fellow ministers do.

Secondly, there is Mr. Price's ministerial responsibility to ensure that public money is properly spent to achieve maximum public benefit. This, after all, is what Finance is about.

The scandal that characterises the financial

dealings of the government, so far as they are made public, must be far exceeded in the murky depths of ministerial activities concealed from us.

If Price's excuse is ignorance - and one can see no other - it points to the fatal flaw regarding finance under him.

George Price really does not know enough about finance to manage public money!

His abysmal record apart; Price's only academic aspirations have even in the areas of theology and philosophy. He has ever been incapable of learning on-the-job, preferring, as the archetypal politician, a political solution to financial questions.

Finance under Price means mismanagement. This is clear. But then small wonder. When he left his employment with R.S. Turton some generations ago, he was -- and he ever has been -- nothing more than a clerk.



## Waste in Electricity Board

Belize City THE REPORTER in English 18 Nov 84 pp 1, 12

[Text] Mr. E. Briceño, believed to be Minister of Energy Eljio Briceno, has been singled out by name in the Auditor's report of the Belize Electricity Board as one who received double payment for diesel fuel supplied to the Board during 1982/83.

On November 5, 1982, the report notes, the sum of \$57,856 was paid out to E. Briceno for diesel fuel, but the auditors could find no records to show that the Board had received 12 thousand gallons of the quantity paid for.

Six weeks later the Belize Electricity Board paid out \$62,240.35 to the same E. Briceno for shipments of diesel fuel which included two quantities of 7,000 gallons each.

The records of the Board show that one 7,000 gallon shipment had been received, but the auditors could find no records of the other shipment of 7,000 gallons being received.

The auditors noted that in 1982 the Belize Electricity Board spent \$1.1 million dollars more for fuel and lubricants than it did during a similar period the previous year, while electricity sales for this period yielded only \$1,051,505 more. If the "P" surcharge which consumers pay

was to compensate for increases in the price of fuel, the auditors ask, how is it that fuel expenses outran income by more than \$800,000!

The Auditor's report provides other revealing insights into how the Board managed its affairs under its hand-picked General Manager, Mr. Sergio Brull. It notes, for instance that the Board had paid \$854,864 for a single 12 R.K. diesel generator; \$236,868 on a computer to handle its accounting, \$25,873 for the construction of two fuel tanks and \$15,000 - for the purchase of a second-hand Bronco pick-up truck that came to the Board

without registration papers and without a transfer title. The auditors also noted that there were "no supporting documents to substantiate payments".

During that same period the Board lost track of \$133,705 worth of treated utility poles which had been stockpiled at the Magazine Road compound.

The auditors also mentioned the Board's payment of \$600 monthly to Mr. Mark Cuellar for "public relations service", and debts of \$4,511.63 owned by former Board Director John Aguet and \$2,570.68 owed by Board Chairman at the time, Minister Sylvester.



# FOREIGN POLICY SUCCESSES SINCE INDEPENDENCE REVIEWED

Belmopan THE NEW BELIZE in English Oct 84 pp 4, 7

[From the Viewpoint column: "When Foreign Policy Becomes a Bread and Butter Issue"]

[Text]

**A**t this time when the election machinery is being oiled for the up-coming General Elections, politicians tend to take a very introspective view of the issues—the domestic issues and the non-issues of the political platforms. An introspective view in that foreign policy unlike domestic issues does not necessarily win votes.

But when a small and newly independent country like Belize looks on foreign policy, it becomes a bread and butter issue which affects the country and its future and to the nitty gritty—the voter. This is because small developing nations are vulnerable to the international and regional issues and pressures which undoubtedly influence domestic economic policies, national security and yes—our territorial integrity.

Yet many of us tend to view foreign policy in abstract dimensions. However the fact is that successive Guatemalan governments continue to find themselves more and more isolated on a limb as they refuse to recognise the independence and territorial integrity of Belize, both of which are fait accompli.

While Belize is prepared to negotiate with good faith and determination to find a just solution to the problem over the Guatemalan claim, such negotiations will not be predicated on any presumption on the part of Guatemala that they have any rights over the Independence of Belize.

When Senator C.L.B. Rogers, Leader of Government Business in the Senate and leader of the Belize delegation to the 39th Plenary



Session of the United Nations, addressed the UN session earlier this month, he was speaking at the UN podium as the representative of an independent state in this region. This alone is a foreign policy accomplishment. It is a foreign policy based on the advocacy of the self determination of people, nonalignment and the non-interference in the domestic affairs of other states.

This position has undoubtedly won friends and influenced people from all shades and ideologies of the international political spectrum and within and without the Commonwealth of Nations of which Belize is a member.

The strong international support for our independence which has so much ostracized Guatemala is evidence that this country has friends in high and low places.

With a foreign policy of non-aggression—a position which was underscored by our objection to the foreign intervention in Grenada—we have been able to get military assistance from Britain and the United States of America for more training for the Belize Defence Force, more military hardware and the modernizing of our defence agreements with those states.

Belize has also been able to retain the very strong support from international organisations to which she subscribes e.g. the Commonwealth of Nations, the Caribbean Community and the Non-Aligned Movement, who stand fast in upholding our independence and territorial integrity.

At the New Delhi summit held 12st December, Commonwealth Heads of Government reaffirmed their full support for the efforts of the Government of Belize to maintain its territorial integrity and the role of the British Government in helping to provide for the security of Belize.

And then in July at the Caricom Summit, Heads of Government called on the international community to maintain its support for Belize in its efforts to secure an early and peaceful solution to the problem with Guatemala.

Belize has also been able to establish a number of bi-lateral agreements with a number of countries and organisations as a result of our diplomatic initiatives. We have in the short three years of independence worked out bi-



lateral agreements for assistance in the fields of health, housing, cultural exchange programmes and for loans and other financial assistance for the further development of the infrastructure—roads, schools, rural electrification and so on.

Among the governments and organisations who have been assisting in our economic development programmes are the United Kingdom (ODA), Canada (CIDA), United States of America (USAID and CBI) the European Economic Community (EDF), the World Bank and the International Monetary Fund. Belize has also been able to benefit from multilateral loans and other development funds for farming, tourism, industry, housing and student education with funds channelled through the Caribbean Development Bank from international lending agencies.

Belize has also strengthened its ties with a number of countries and established diplomatic relations with others.

The Ministry of Foreign Affairs reports that so far we have established diplomatic relations with twenty six countries while maintaining consular association with eight others in North, South and Central America, Europe, the Middle East and Africa.

In addition to this we are members of eighteen international organisations.

In summary, Belize's foreign policy objectives continue to seek a solution to the Guatemalan problem, more economic development and the preservation of our independence, sovereignty and territorial integrity.

The Government has been able to successfully maintain wide international support through skillful diplomatic efforts.

These are the issues that have contributed to our survival as a nation and as a people. Indeed they are foreign policy—but policy crucial to our development as an independent country and people. It is on these that bread and butter issues depend.



# GOVERNMENT DENIES REPORTS OF SECRET TALKS WITH GUATEMALA

## Implications for Toledo

Punta Gorda TOLEDO STAR in English 14 Oct 84 p 3

[Text] It is no secret that British Prime Minister Margaret Thatcher wants to pull out her troops from Belize, but has been pressured by U.S. President Reagan to keep them here to control and limit the flow of Cuban arms passing through Belize to the Marxist rebels in Mexico and Central America.

Apparently, the breakthrough has the blessings of Prime Minister Price and the leftist elements in his Government, who feel that once the British Troops go, the United States influence in Belize will decline, and Belize will not have to establish diplomatic relations with such countries like Israel, and instead, can open the doors to Cuba and other Third World socialist states. Mr Price himself is bothered by Guatemala's claim (which he thought would disappear with Independence) and the need to correct an imbalance suffered by Belize in trade and communications with its foremost neighbour.

The arrangement allegedly involves giving Guatemala some concessions in the Toledo District, like the re-drawing of the Seaward Boundary between Belizean waters and Guatemalan waters at the Sarstoon, Amatique Bay, and Ranguana Range areas. Guatemalan congressman who are at this minute writing a new constitution for that country are insisting on an outlet for their Peten products via the Toledo District.

The PUP Government has conspicuously left out the Toledo District in the country's plan for economic development. This can be an indication that Guatemala is to fill in these programmes and services along with concessions offered to her in a settlement plan.

A) Roads--the roads in Toledo are in a most deplorable state. i) On the Southern "Highway", doreys have to be used to cross passengers over flooded bridges, ii) The Punta Gorda/Barranco Road has not been completed. iii) The San Antonio/Guatemala-Border Road has not been completed. iv) There is no plan to put bitumen on any major road.

B) Telephone--San Antonio, the largest Village in the country does not have a telephone link with Punta Gorda; neither does Barranco, or Monkey River.



- C) Gasoline & kerosene is being rationed by the only gas-station here.
- D) Low-cost housing--In the Venezuela-Belize Low-cost housing scheme, 500 houses will be given to Belizeans in Corozal, Cayo, Bemopan and Belize City. Toledo is not included.
- E) Banking services--None of the commercial Banks having license to operate in the country are providing loans to citizens in the Toledo District. Royal Bank of Canada, Barclays Bank, Bank of Nova Scotia and Atlantic Bank have all stated categorically that they are not entertaining any applications from people in the Toledo District--even if such persons offer collateral, and are prepared even to mortgage their homes. In fact there is not a single Bank branch in Toledo.
- F) Agricultural development--Toledo farmers have been gradually and effectively discouraged from planting basic grains like rice, corn and beans. Rice-paddy harvest in any single year (for the past eight years) has not passed the 4 million pounds mark. It declined drastically from in 1971 when subsistence farmers alone harvested over five million pounds. Mechanized cultivation is offered to a selected few; and tested by one or two foreigners who have equipment.
- G) Medical service--The hospital is in dire need of medicines and better equipment to treat the sick. Special cases are treated in Puerto Barrios, Guatemala.
- H) Industries--There are no industries in the District. There are no factories; no manufacturing, no bottling for the domestic market and neither for the foreign market. Nothing for export--no bananas, no Cohune nuts, no timber. In fact, there does not exist any significant payroll in the Toledo District apart from the government payroll which goes to Public Works, Police, Medical, Administration, B.T.A., Water and Teachers under the church-state system.

#### Courtenay Statement

Belize City BELIZE SUNDAY TIMES in English 18 Nov 84 p 5

[Statement by Minister of Home and Foreign Affairs Mr Vernon Courtenay denying press reports of secret talks with Guatemala; in the House of Representatives, 9 November 1984]

[Text] Certain disturbing reports relating to Guatemala's dispute over Belize have recently been published in certain newspapers circulating in the country. They allege that in secret talks between the governments of Belize, the United Kingdom and Guatemala, a solution to the Anglo-Guatemalan dispute over Belize has been approved, and placed on ice to be revealed and implemented only after the next general elections.

These articles further allege that the objectives of the solution are in furtherance of a conspiracy between the Prime Minister of the United Kingdom and Belize for withdrawal of British troops, to neutralize North American influence over Belize, and to open the door to let in the influence of Cuba and other socialist countries.



The allegations go on to set out elements of the agreement as follows:

1. to give certain concession to Guatemala over the Toledo District;
2. to revise the sea limits between Guatemala and Belize waters, the Sarstoon River, the Bay of Amatique and the Ranguana cayes, and
3. to provide an outlet for products of El Peten through the Toledo District.

I wish to state categorically that there is no substance to any of these allegations and that each and every one of them is false. There is no secret agreement negotiated, or in existence, or, for that matter, even contemplated between the governments of the United Kingdom, Belize and Guatemala. The last discussion between these three countries, which were publicly announced, and took place in July of this year at official level, when determined efforts were made to explore the type or class of ingredients which one day, if acceptably negotiated, might constitute a possible agreement on this ancient dispute. This exercise has yet to identify acceptable items which might comprise the solution for which we search.

It seems appropriate Mr Speaker to repeat the policy of the Government of Belize. This Government patiently and assiduously applies itself to the search of a solution of the differences which have existed between the governments of United Kingdom and Guatemala for so many years. We wish to win the recognition of the independent Belize by Guatemala, within our existing boundaries. We continue to foster the friendship and cooperation of our two peoples. In doing so, however, Government recognizes a responsibility and a duty to consolidate the independence of Belize, to defend its territorial integrity--without yielding one square centimeter of Belizean territory--and to defend the sovereignty of the Belizean people over their territory against all comers. If and when proposals are reached which might constitute a solution of this difficult problem, those proposals shall not be accepted and ratified by this Government or any other Government formed by the People's United Party without consultation with all the people of this country and their approval.

Finally, Mr Speaker, I wish to refute the idea that there exists a conspiracy between the Prime Ministers of the U.K. and Belize. Their relationship is one of trust and confidence, of cooperation and harmony, of friendship and understanding. It is their common purpose that together they work for the defence of Belize against any military threat from Guatemala arising out of this dispute. We welcome, and repeat, our gratitude to the Government of the U.K. and the people of that country who are prepared to put the blood of British young men on the line for the defence of the territorial integrity of Belize.

I state further, Mr Speaker, that the relation between Government of Belize and each and every country of North America has never been more cordial and friendly. Our association has grown in the last 3 years with deeper trust and greater understanding which has led to cooperation in many areas and which continues to grow into a relationship of interdependence. The Government of Belize has found no cause or need to neutralize this fruitful relationship in order to open the doors to any other country, Cuba, other Socialist countries or otherwise.



Elections do tend to create opportunity for false rumours, for distortion of the truth, and for outright falsehood. It can only be a sign of desperation, however, when at such an early stage in the campaign, efforts are being made to win votes by the creation of fear and panic to the injury and detriment of the welfare of our country.

CSO: 3298/241



## BRIEFS

MUNICIPAL ELECTIONS--Radio Belize announced on Wednesday that town board elections will be held late next year. The announcement said in part that the Minister of Local Government, Mr Louis Sylvestre after meeting with Mayors of the district towns has agreed that the Town Board elections scheduled to be held this year should be postponed to the second Wednesday in November 1985. Fixing the date for Town Board elections is a matter which the Minister of Local Government is empowered to do. The release adds that the Minister also agreed to issue an order "enabling all Mayors and Councillors to continue office until the new elections are held." Political observers say the reason for delaying the municipal elections may be a direct result of this year's general elections on December 14th. The workload on the elections machinery--the Elections and Boundaries Commission--would have been far too heavy due to next month's elections. [Text] [Belize City DISWEEK in English 23 Nov 84 p 1]

NEW SUNDAY TIMES EDITION--On 28 November and 5 December, without prior announcement, the Belize City BELIZE SUNDAY TIMES publishes a somewhat smaller paper (6 pages, half or less of the size of the regular weekly Sunday edition) titled THE BELIZE TIMES, with the subtitle "Midweek Edition." The inside pages of the 28 November issue carry the heading THE BELIZE SUNDAY TIMES on some pages; all inside pages of the 5 December issue are headed THE BELIZE TIMES. Neither the Sunday nor the midweek editions for the period 11 November through 9 December indicate whether this new semiweekly format is temporary, possibly linked to the forthcoming general elections, or will continue as a more permanent feature. Volume numbers for the midweek editions continue in sequence with those for the Sunday editions. [Editorial Report]

PETROLEUM SECURITY--Belize City, Fri. Nov. 23--Our sources say the PUP government, in a last, desperate bid for reelection, is preparing to make a big hullabaloo about some kind of oil strike on election eve. (On "illegal" television, incidentally.) The petroleum industry, like any other, has dangers if not properly and honestly administrated, as witness the natural gas explosion in Mexico City early Monday morning this week. The explosion, which is being blamed on the Mexican state monopoly PEMEX, killed hundreds and injured up to a thousand. [Text] [Belize City AMANDALA in English 23 Nov 84 p 1]



CDB ASSISTANCE--The Government of Belize has signed a \$1 million agreement with the Caribbean Development Bank--CDB--to improve the economic and social status of low income families. The grant agreement with funds channeled through the CDB by USAID was signed last week by the Prime Minister and Minister of Finance, Mr George Price. A spokesman in the Ministry of Finance said that the "project is to expand and conserve the stock of social and economic infrastructure essential to future growth." This basic human needs project will provide more basic services and employment and use labour intensive methods for the maintenance and expansion of the social infrastructure. Proposals under the project include more Health Centres, Primary Schools, a Vocational Training Centre, a Community Centre, village electrification and the improvement of water systems. [Text] [Belize City BELIZE SUNDAY TIMES in English 9 Dec 84 p 4]

FOREIGN EXCHANGE CRUNCH--The seasonal demand for foreign exchange at this preelection time of year has been putting a strain on the Belize foreign exchange position. A number of small and medium sized businessmen have reported that they have not been able to secure adequate foreign exchange since the first week of November. Mr Swift, Governor of the Belize Central Bank told THE REPORTER today--that there had been some delays because of an increased demand for U.S. funds which cannot be identified with the seasonal fluctuation. But in fact the Central Bank does have foreign exchange which it is making available to the business community, Mr Swift said, and those who come for foreign exchange permits in the ordinary way can get foreign exchange at this time. [Text] [Belize City THE REPORTER in English 2 Dec 84 p 9]

CSO: 3298/244



# RATIONALE FOR, THREAT POSED BY U.S. BASE DISCUSSED

Hamilton THE WORKERS VOICE in English 9 Nov 84 pp 3,4

[Column by Alvin Williams: "The Other Alternative"]

[Excerpts] Once again the vulnerability of Bermuda as a first-strike target, in a possible nuclear exchange between the United States and the Soviet Union has been highlighted.

A six-page story, published in the SUNDAY TIMES MAGAZINE, by British journalist, Simon Winchester, carried enough sting to prompt premier John Swan to stand in line to buy a copy. I understand he snapped up ten--presumably to enlighten his Cabinet on the military activities in almost 10% of Bermuda's land area.

His professed ignorance on the subject is such that, if it became generally known among the nations of the world community, could very well make Bermuda the laughing stock of the world.

Or an object of pity, that its leaders lack of understanding of world affairs, and of where Bermuda stands with regard to the protection of its own national interests.

## U.S. Authority

The U.S. Base commander, Captain Donald Gentry, was quick to deny that there were any secret military activities being carried out on the Base.

However, the bottom line is this. Under the terms of the Land-Lease Agreement, made between Britain and the United States, the Base commander is not under any obligation legal or moral, to tell the Bermuda Government anything about the nature of military policies, with regard to the U.S. Base.

Bermuda was a British colony when this agreement was worked out, and it is still a British colony today. Therefore, we have no say, until Bermuda becomes an independent country.

Hence, the former Base commander was within his rights, under the terms of the Land-Lease Agreement, to authorise missile test firings within Bermuda's territorial waters, (as happened recently).



It should be remembered that, at the time of the missile scare, the Base commander did not say: "I have overstepped my legal bounds. I am sorry." He said: "It won't happen again, without the Bermudian Government being told."

I would suggest that readers go to the Bermuda Library and get a copy of that Land-Lease Agreement. In it you will see that the United States has full sovereignty rights over the lands it occupies. Those rights, in many respects, pre-empt the normal governmental rights of the Bermudian Government.

Also, unlike other countries that have Base agreements, between their governments and the United States, the U.S. does not pay rent to the Bermuda Government for the use of the land.

Another example of American power, under the Land-Lease Agreement, is the fact that the Bermuda police cannot go onto the Base and make an arrest without permission from the Base commander.

At the same time, a Bermudian who commits an offence within the leased area can be brought before an American court, sitting in the leased area, if such an offence is deemed not punishable under Bermudian law.

Immigration laws, customs and tax duties on goods brought in by the Americans for the Base, are all outside Bermudian law. Even with respect to the use of military vehicles outside the Base, no licencing fees are paid to the Bermuda Government, nor are the vehicles subject to yearly TCD road-worthy tests.

However, an American who wants to drive nonmilitary vehicles on Bermudian roads, must get a Bermuda driver's licence. This is a small concession to Bermuda's laws, but it still doesn't obscure the reality that much concerning the operation of the Base is outside the application of Bermudian law.

In exchange for 50, U.S. World War I, 1200-ton destroyers, Britain agreed to turn over land areas in Bermuda, Jamaica, St. Lucia, Antigua, Trinidad, the then British Guiana and Newfoundland, in Canada. All these areas were turned over to the United States, in exchange for the ships.

So you see, Bermuda was not the only colony affected by the Land-Lease Agreements.

#### Dispossessed Bermudians

This was not a happy time for Bermudians and especially those living in St. Davids, who were about to lose their properties. Many were heartbroken, that they were going to lose the land that their forefathers had lived on and farmed for generations.

In fact, it took the personal intervention of one of Bermuda's influential landed gentry to persuade the people that they must give up their lands. He chaired a meeting in St. Davids, where there was much talk of patriotism and of how England needed the sacrifice.



That was the extent of the then Bermudian Government's participation in the turning over of some 10% of our land area. They rubber-stamped the whole deal.

At first, the Base was an asset to Bermuda. It provided jobs and, after the war, Bermuda was able to use the airfield and develop a tourist trade. No one can dispute that.

However, times have changed. There are not many Bermudians working at the Base any more. Even the question of food and other supplies being bought from Bermuda's business concerns does not apply. The Base is totally self-contained now.

These are not the reasons why I object to the Base being here. It is the nuclear threat and the role Bermuda is playing in the NATO defence system that concerns me.

The next war will be nothing like World War II. It is quite clear that this Base's primary mission is to hunt Russian submarines.

(The Typhoon class submarine is one of Russia's most modern subs. It is some 25,000 tons and carries 20 multinuclear missiles, with a range of over 5,000 miles. By 1990, the Russians will have at least six of these monsters deployed off the American coast, along with its other submarines, all capable of carrying the nuclear punch.)

The United States has taken steps to protect itself from such a threat. Bermuda is but a cog in the American defence machine.

The question is, do Bermudians have legitimate defence interests? We never hear any talk about Bermudian interests.

The way I see it, Bermuda has a choice between facing the certainty of a nuclear attack if the U.S. Base remains here, and the possibility of an attack, without any US/NATO military bases on its soil.

This will become an increasingly important issue for Bermudians, if not for the reasons I have outlined, then surely for the fact that our country is only 21 square miles, and with the land shortage getting worse every year, Bermudians eyes must sooner or later focus on that 10% of Bermudian land that presently serves as a US/NATO outpost in the middle of the Atlantic.

CSO: 3298/227



PLP ANNUAL CONFERENCE EYES PERSONNEL, FISCAL ISSUES

Financial Report

Hamilton THE ROYAL GAZETTE in English 15 Nov 84 p 1

[Text] Opposition leader Mrs Lois Browne Evans has warned delegates to the PLP annual conference that all will be lost unless the PLP halts and takes stock of the direction in which it has been drifting.

She said that the party was failing the people most in need, and cautioned that a third political force "is out there waiting to seize their moment in history."

"Decay is already in the air," Mrs Browne Evans told conference delegates in her annual report on Tuesday night.

The Opposition Leader took a sideswipe at the party's former Secretary General, Mrs Lovette Brangman, who resigned her office recently.

She reported her deep sadness that Mrs Brangman had to resign "and more regrettably go to the newspaper and condemn the very executive that she had been in close contact with for over two years without recording one word of disapproval until recent months."

It was to be expected that the former Secretary General must have been in an invidious position when her husband, MP Mr Walter Brangman, was suspended, said Mrs Browne Evans.

The Opposition Leader told delegates that she believed the root of the party's leadership problem was ideological.

She believed that the struggle was not over her ability to lead the party to election victory, but prompted by certain people who sought to take the party in a direction different to what it should be.

Mrs Browne Evans told the delegates she was a professional person who had not forgotten her roots and a person who people believed would stand up for their rights.



"If I am seen by the international exempted fraternity as not being concerned about their welfare in priority to Bermudians, there is nothing that I can do about that, for Bermudians must come first--and particularly those most in need and who do not have anyone to speak up for them. To represent their interest must have top priority. To do otherwise is to deny the very reason we exist."

The Opposition Leader continued that if the PLP was to be another conservative party, she was in the wrong party.

"We are failing the people that are in most need in this Country; the evidence is all around for us to behold and unless the Progressive Labour Party halts and takes stock of what direction it has been drifting into, then all will be lost: lost to the UBP and to us.

"A third force is out there waiting to seize their moment in history and Bermuda will go the way of many other countries. Decay is already in the air."

#### Charge of Delegate 'Stacking'

Hamilton THE ROYAL GAZETTE in English 15 Nov 84 p 2

[Text] The PLP's precarious financial status has been spelled out to delegates to the Party's annual conference.

PLP treasurer Mr Walter Byron told the delegates on Tuesday night that the party's income during the past year had been insufficient and his job had been very difficult.

"Branch assessments, MP pledges, members' pledges and Central Committee collections are all of great concern," the treasurer said.

Major fund-raising activities had resulted in very little profit, said Mr Byron, and the party's letter and television appeal for funds had brought in little or no response.

The treasurer warned that the credit accepted by the party from the business community was the maximum which should be permitted.

"The accounts payable exceeds \$20,000, with at least two or three creditors calling each week seeking a payment, with others refusing further credit and demanding cash transactions in future services and purchases," he said.

If only 20 percent--140 people--of the party membership pledged to give \$5 per month, the party could begin to reduce and manage its credit in the community.

Mr Byron said the PLP's \$16,000 overdraft with the Bank of Bermuda was to be renewed, and five more members were needed to guarantee the amount of \$1,000 each for one year.



The treasurer described as very unsatisfactory the arrangement whereby Mr Roosevelt Brown was employed by the Party on the condition that he go out and solicit funds from the community, from which he would be paid.

The statement of accounts presented to the delegates was accompanied by an auditor's report which was qualified in one respect.

"The Bermuda Progressive Labour Party does not maintain a register of fixed assets," auditor Mr Alan Richardson wrote. "Because of the absence of appropriate records, I was not able to verify the existence of certain fixed assets recorded in the financial statements at a cost of approximately \$88,600."

#### Party Leader's Report

Hamilton THE ROYAL GAZETTE in English 16 Nov 84 p 1

[Excerpt] Outspoken PLP member Mr Skipper Ingham yesterday accused Opposition Leader Mrs Lois Browne Evans of "stacking" the party's annual delegates' conference with her relatives and friends.

Mr Ingham, himself a delegate to the conference, claimed that among those eligible to vote at the conference were Mrs Browne Evans' sister, two of her nieces and several of her cousins.

In addition, he said, party organiser Mr Roosevelt Brown had gone out into the parishes to recruit "undesirables" to act as delegates because they would give total support to the Opposition Leader's cause.

PLP spokesman Senator David Allen said Mr Ingham's claims were totally incorrect and that it was impossible for any member of the executive to stack the conference as delegates were selected by branch members.

He said that there were more than 60 delegates to the conference and the vast majority were not related to each other or to Mrs Browne Evans.

#### New 'Leftist' Deputy

Hamilton THE ROYAL GAZETTE in English 21 Nov 84 pp 1, 2

[Text]

"Comrade" Richard Lynch, a self-confessed sympathiser with the left-wing politics of the Third World, has been elected as deputy chairman of the Progressive Labour Party.

Mr. Lynch will serve as second-in-command to Mr. Alex Scott who was re-elected as Party chairman at the final meeting of the PLP annual delegates' conference on

Monday night.

An official PLP Press release announced that the former treasurer Mr. Walter Byron, who last week told delegates that the Party had financial problems, had been "replaced" by Mrs. Aurelia Burch.

It is understood that Mr. Byron was nominated for re-election but stood down after being opposed for the position.



The new treasurer, Mrs. Burch, had to stand down as a conference delegate for Pembroke after it was discovered that she was a non-financial Party member.

Mr. Donald Tuzo, who has several convictions for drug offences, was among six members of the PLP Central Committee elected from the conference floor.

Mr. Tuzo was recently re-elected as chairman of the Party's Pembroke branch two years after being forced to resign the same position because of his alleged involvement in illegal drugs.

Ms. Marie Franklin was appointed as the Party's new secretary-general, replacing Mrs. Lovette Brangman who resigned several weeks ago, and Ms. Judy Parsons was elected as assistant secretary.

Mr. Roosevelt Brown was re-elected as Party organiser, Senator David Allen as public relations officer and Mrs. Mary Hayward as membership secretary.

The six members appointed to Central Committee were Mr. Randolph Scott, Dr. Clark Godwin, Mr. Wayne Williams, Ms. Ann Webb, Mr. Tuzo and Mrs. Brennel Henry.

The Party chairman said yesterday that the conference had given a resounding endorsement of the Central Committee's management of the Party's affairs.

"Their direction to us is to get on with the business of the Party," he said.

Mr. Scott said that new Central Committee included some new and young blood and could carry out its duties with authority.

"But I am sure we will not use this new-found authority unceremoniously," he said.

Mr. Scott's new deputy, Mr. Lynch, told *The Royal Gazette* that his aim would be to assist in bringing the Party back into the mainstream.

Mr. Lynch said he would be working with

the Party to ensure that it recognised and represented the grass-roots membership.

He believed that some who had gone into the PLP had taken the Party too far to the right which was regrettable.

Mr. Lynch, who refers to himself as Comrade Lynch, admitted that he was one of the most left-wing members of the Party, but said he would be moving along with the Party as a whole.

Asked why he chose to be described as Comrade Lynch, he replied that it enabled him to identify with "those left-thinking people of the Third World".

Did he think that the dissidents should be expelled? "I think I made the motion to expel them for 99 years and one day," he replied, adding that his personal view remained the same.

The PLP statement said that conference delegates had taken note of the fact that the six dissidents had not responded to a letter sent to them in accordance with a conference motion of last Tuesday.

"They reconfirmed, also in accordance with that motion, the authority of the PLP Central Committee to act on this matter," the statement said.

The Party rebels had been given 48 hours to respond to the delegates' letter of "admonition", but failed to meet the Friday deadline.

It is understood that while there was some discussion about expelling the six at Monday's meeting, it was decided that the matter should be handled by the new Central Committee.

Mr. Scott said that he hoped it was possible to sit down and talk with a number of people, which could include the dissidents themselves, in a responsible and beneficial effort to begin the "healing process".



## UBP BACKBENCHERS FLEX MUSCLES TO IMPEDE GOVERNMENT ACTIONS

Hamilton THE ROYAL GAZETTE in English 16 Nov 84 p 1

[Text]

Premier the Hon. John Swan returned to Bermuda yesterday to learn that the UBP backbench had united to delay important Government legislation.

The powerful backbench group — which includes several former Cabinet members — chose yesterday's weekly caucus meeting to stage what turned out to be a successful show of strength.

The MPs flexed their muscles over the Government's plans to build a multi-million dollar waste-to-energy incineration plant on land at North Shore, Devonshire.

Legislation enabling the development to take place, the Tynes Bay (Special Planning Provision) Act, was due to be debated by the House of Assembly this morning.

But the backbenchers argued strenuously for the two Ministers involved, the Hon. Haskins Davis and the Hon. Quinton Edness, to agree to put off consideration of the legislation for at least one week.

It is understood that while neither the Minister of the Environment nor the Minister of Works was keen to delay the debate, they acquiesced to the MPs' demands that the legislation be held over so the incineration proposals could be further discussed.

Mr. Edness told *The Royal Gazette* last night that he has been happy to agree to hold the matter over for a week so that the backbenchers would have an opportunity to discuss their concerns.

It is believed that the MPs are anxious to present material to the Ministers which would favour a smaller and less expensive incineration plant than the one planned by Government.

The proposed siting of the the new plant is also understood to be a matter of concern to at least one MP.

The backbenchers show of solidarity is less surprising than the vehicle picked for its demonstration.

It is common knowledge within the UBP that backbenchers have been holding regular weekly meetings to discuss matters to go before caucus and any general concerns about the Government's performance and activities.

It is also widely accepted that the group of non-Cabinet MPs are not plotting to unseat the Premier, but rather to ensure that backbenchers' views are properly ventilated and represented in Government policy.

What would, however, be of concern to the Premier and his Cabinet would be any orchestrated effort by the backbench to reject or amend Government legislation in Parliament.

And *The Royal Gazette* understands that several of the backbenchers were prepared to go that far if they had not won the day at caucus yesterday.

CSO: 3298/227



#### FIRST DOMESTIC PROTOTYPES OF AM-X AIRCRAFT READIED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Dec 84 p 6

[Text] The third AM-X subsonic fighter prototype developed jointly by EMBRAER [Brazilian Aeronautics Company], Aeritalia and Aermacchi is already completed. The aircraft should make its first flight in Italy in coming days and be placed immediately in the model evaluation program in Aeritalia together with the second prototype which flew last month.

Meanwhile, prototype number 4 is being prepared in EMBRAER. It is the first Brazilian prototype which will be presented officially in July next year in a ceremony at the EMBRAER industrial installation in Sao Jose dos Campos.

The second prototype was assembled at the Aermacchi installations, where on 27 August it made its first run on the runway. The inaugural flight at Caselle, Italy, lasted for 70 minutes and was considered a success. The first prototype had an accident in June and was completely destroyed when it made a forced landing near Caselle. The pilot, Manglio Quarentelli, was killed.

The third prototype was assembled by Aeritalia, and together with the second, is going to participate in a program which is going to intensify the tests and evaluation of the model. Brazilian pilots and technicians are observing the final tests of the two prototypes as a preparation for the flights which will begin next year in Sao Jose dos Campos with prototype four.

The AM-X program initially included tests with six prototypes, which will now be done with five aircraft. However, the three companies participating in the two-nation agreement for the manufacture of the military jet, do not believe there will be any delay in the approval of the model.

#### Expenditures

EMBRAER spent nearly \$200 million in the project for its one-third share. Another \$400 million is being spent between Aeritalia and Aermacchi. The assembly-line manufacture of that subsonic model should begin in 1986 and the first deliveries are scheduled for the following year. There are already orders for 200 AM-X units from the Brazilian Air Force and for 250 units from the Italian Air Force.



The sales potential of this military aircraft on the international market is considered "very great" because of the high prices and maintenance costs of supersonic military jets. The binational aircraft will cost approximately \$10 million per unit, which at today's prices means a combat jet for a cost of nearly 50 percent less than any other available on the market.

Sales of the AM-X on the international market will be made by a company being created by EMBRAER, Aeritalia and Aermacchi.

8908

CSO: 3342/67



ENVOY TO GATT COMMENTS ON DEBT RENEGOTIATION, PROTECTIONISM

Rio de Janeiro O GLOBO in Portuguese 22 Oct 84 p 15

[Text] The liberalization of Brazilian foreign trade without the negotiation of reciprocal actions in foreign markets, and without the adoption of anti-dumping legislation and compensatory rights against harm done by unfair competition, may be harmful to Brazilian industry, warns the Brazilian ambassador to the General Agreement on Tariffs and Trade (GATT) in Geneva, Paulo Nogueira Batista. He considers it premature.

Ambassador Nogueira Batista advocated a reformulation of the National Foreign Trade Council (CONCEX), which should be directed by the president of the republic and concentrate all its regulating decisions on foreign trade. He also suggests that the Congress have a greater participation in the area of foreign trade and that the business activity by the state in foreign sales should be reduced.

A career diplomat, former chief of the Economic Department of Itamaraty, former president of NUCLEBRAS [Brazilian Nuclear Corporations] and responsible for the negotiation of the Brazil-Germany Nuclear Accord, he believes that the president of the republic himself should undertake the renegotiation of the foreign debt in order to raise the levels of discussions between the creditor and debtor countries.

O GLOBO: Ambassador, as the Brazilian representative to GATT, do you believe that protectionism will tend to diminish or increase in 1985?

Paulo Nogueira Batista: Protectionism should be viewed in a broader context than the persistence of tariff and nontariff barriers which have been accumulating throughout years and which were more recently aggravated because of the economic recession which took place in the industrialized countries. Protectionism in those countries is in part the result of the "peripheral" treatment which questions of interest to developing countries received in the great rounds of trade negotiations within the framework of GATT. Among others there was the Kennedy Round in the 60's and the Tokyo Round in the 70's.



Protectionism is also the result of problems in the areas in which the more industrialized developing countries began showing competitive conditions.

If the developed countries were to fully accept the functioning of free trade standards and those of the market forces, a process of industrial readjustment would necessarily take place with transfers of resources to areas in which the developed countries have competitive conditions. Protectionism in the developed world has served to delay the process of structural adjustment, punishing foreign exporters and the national consumer himself with higher prices for less efficient domestic products.

O GLOBO: In your opinion, is it preferable to negotiate multiannual rescheduling of due debts or only those for 85? What can be best negotiated in the matter of interest rates?

Nogueira Batista: Multiannual rescheduling in itself is not a basic question, which is in the field of the periods of payments, particularly in the cost of money. The rescheduling plan up to now drawn up with Brazil is practically restricted to payments of the principal and it took place in essentially commercial terms, even with increases in costs. It was, obviously, a relief in terms of cash but it cannot be viewed as a solution of an indefinite type.

The multiyear aspect of those plans would only represent an effective contribution if it would alleviate or reduce the rates of interest of the rescheduling and also consider the refinancing of the amount of interest owed. In my opinion, even in an exclusively banking negotiation which has the participation of the governments of the countries of the creditor banks, it should be possible to obtain a substantial decrease in financial costs.

I also believe that it would be a greater probability in the case of European banks, among which there was an initial willingness to accept even lower rates of interest than the banks paid out. This would be viable since those banks for many years made great profits in granting loans to Brazil and continue to make them within the plan for rescheduling negotiated under the aegis of the IMF. Moreover, this would be possible because of the fact that those banks, according to the respective monetary authorities, are already preparing special provisions against possible harmful effects in the area of foreign debts and private lenders.

In my opinion, Brazil should also consider a monetary recomposition of its debt with international private banks, changing from the dollar to the money of the country where those banks are located. That measure would not only facilitate the funding of the banks but, above all, would contribute to reducing the rates of interest, which are in money other than dollars, lower than those applied to operations in American money.

O GLOBO: After obtaining a trade surplus of \$12 billion, it is admitted in the government itself that there will be a smaller total in 1985. That possible reduction in the total, and the decision not to take new loans are conflicting. Do they diminish the margin for maneuver for the new government?



Nogueira Batista: It is not easy to imagine how we can reach the import and export goals which have been revealed recently. It is not possible either to evaluate what the true impact the measures of liberalization of imports, which have been announced and will be implemented soon, will be.

The liberalization of imports by means of reducing trade obstacles appears to be premature, since we have not yet finished the process of adjustment agreed upon with the IMF, and we are practically a year and a half from its execution in a total period of 3 years. As a rule, this type of liberalization should be used by Brazil as an instrument of better access to the markets with which we trade. This means that it should be undertaken at a more favorable time and within a framework of negotiations, not one of unilateral concessions.

O GLOBO: In your opinion, should the debt become more of a political renegotiation? What should be changed in the agreement with the IMF and the creditor banks?

Nogueira Batista: I believe in the effectiveness of a political treatment of the problem of the foreign debt. I believe in the need to raise negotiations to the level of the governments of the debtor and creditor countries in such a way as to be able to establish the basic parameters which will make feasible a technical negotiation at the bank level under more suitable conditions. The problem, because of its importance, requires direct participation by the heads of governments, who are the only ones who have the political authority, legitimacy, and stability to handle our claims with the degree of determination which has become indispensable.

There would be much to change in the agreement with the IMF and the banks. With the banks it would be payment periods and particularly the question of interest rates, so that they could be reduced and capitalized. With the IMF, it would be important to try to reformulate the internal plan recommended by that body in the sense of making it a little less rigid and a little less severe.

It is difficult to understand how countries like Brazil are compelled to suddenly reduce in extremely short periods the deficit of its public sector without taking into consideration the disruptive and disorganizing effects that such an effort could occasion, not only on economic life, but also in the political life of the country.

In the context of a reorganization of the foreign trade sector, it would also be well to consider the modernization of foreign trade laws with great urgency so as to offer national industry a more sophisticated and suitable protection than it has today. Therefore, it seems important to me that the country adopt specific and modern legislation on antidumping rights and compensatory rights capable of protecting Brazilian products against harm resulting from unfair competition.



We should think of a specific legislation that would allow the government to protect national products against a situation of disorganization of the Brazilian market in a certain product, even when there is no evidence of an unfair practice in trade. All those measures appear to me to be indispensable in the case of a liberalization of Brazilian foreign trade. Such a liberalization under those conditions and within a framework of negotiations on reciprocal actions, would not in principle offer great dangers to the national industry, which today surely has competitive conditions.

8908

CSO: 3342/67



BRAZIL

## CHAVES ASSURES LAUNCHING OF LIBERAL FRONT BEFORE ELECTIONS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Dec 84 p 12

[Text] Vice President Aureliano Chaves guaranteed that the 19th will be the day for the launching of the Liberal Party and that this date is "unchangeable" when he denied reports that the first formal act for the creation of the new party could be postponed until after 15 January. "There will be no delay," emphasized the vice president yesterday, saying that he will be present at the launching, which should take place in one of the offices of the Congress.

Deputy Saulo Queiroz (MZ-Matto Grosso do Sul) explained yesterday, in turn, that the members of the Liberal Front will go to the Electoral College without any ties to the PDS [Social Democratic Party], even if there is no working time left because of the recess of the Judicial Branch for the provisional registration of the Liberal Party in the Superior Electoral Court [TSE].

Legislators of the Liberal Front also reacted against the report that a third political front is being formed to be added to the PMDB [Brazilian Democratic Front Movement] and the Liberal Front in the Democratic Alliance. Deputy Francisco Benjamin (PE--Pernambuco) emphasized that "what is important is that Tancredo Neves has affirmed and reaffirmed that the instrument that made his candidacy viable, candidacy which was made up by the Liberal Front and the PMDB, is its performance with respect to the nation, which will continue to be the political basis to be maintained by his government. Outside of that everything is hypothesis and speculation and there is no exception."

Deputy Humberto Souto (MG) has declared that "The way to go is the Liberal Front. To turn to the PDS or to join any other faction is a regression." Deputy Alberico Cordeiro (AL-Alagoas), who has not signed the Liberal Front manifesto, believes the creation of a new political front to be "impossible." "The situation to which they have taken the PDS is enough. It is a party which in order to survive must change its name and performance."

8908

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# STRATEGY, PROBLEMS IN REORGANIZATION OF PDS DISCUSSED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 84 p 8

[Article by Carlos Chagas: "Passarinho May be the President of the PDS as of January"]

[Text] The strategy for the recovery of the PDS and for removing the Maluf influence from it has been established. It foresees the immediate return of Deputy Augusto Franco to the presidency of the party and the convocation of a national convention after 15 January for the election of a new leadership and a new Executive Commission, which will probably be chaired by Jarbas Passarinho.

Meetings are continuing among the various ministers and PDS [Social Democratic Party] leaders, who share a major premise: Paulo Maluf has been defeated and if he does not want to give up his candidacy, he must perceive and accept the fact that he is no longer the master of the PDS. The candidate will move on, or has already moved on, but the party must remain.

Augusto Franco left the presidency of the party because he disagreed with the imposition of party loyalty in the Electoral College, which the Maluf supporters concluded by approving without his presence. When he resumes that post, perhaps within the next few hours, because yesterday he received appeals to do so, he will probably prevent the PDS from appealing to the Federal Electoral Court over the decision unanimously approved by the Superior Electoral Court [TSE]. Tuesday night the TSE did not accept the filing of the document of the National Directorate, which established party loyalty in presidential elections. To prevent the recourse announced by the Maluf supporters will be the first defeat of Paulo Maluf within the party. Since his resignation has not been obtained despite several attempts, the next step will be the reduction of his influence in the command of the party.

Ministers Delfim Netto, Jarbas Passarinho, Mario Andreazza, Nesto Jost, Cesar Cals, Murilo Badaro and Leita0 de Abreu are in the front line of the movement. Yesterday, meeting with PDS leaders in his home, Cesar Cals acknowledged the defeat of Paulo Maluf and added that the party exists, and shall continue to exist, after the candidate loses the election. Nestor Jost,



who was present at the meeting, was more emphatic: He said Paulo Maluf is not going to be president of the PDS. Murilo Badaro, another who sat at the coffee table of the Minister of Mines and Energy, advocated the return of decision-making to the party rank and file. For all of them there is only one reality: The time of the candidate is going to pass or has already passed. The party needs to continue and has the conditions for doing so provided it does not remain bound to the personal objectives of the deputy. If he were to want to remain in the PDS, he may do so, but without behaving as its master.

The plan being created in successive exchanges of opinion among the leaders of what is left of what in other times was the largest party in the West, conceives the return of Deputy Augusto Franco to its presidency, particularly because he did not accept the impositions of the Maluf group and took leave. If, perchance, he does not accept returning, moves will be made toward Senator Amaral Peixoto, the vice president. The tenure by one of them will be of an emergency and transitory nature. After 15 January it is foreseen that there will be a convocation to a National Convention which will elect new members for the National Leadership. They would appoint the members of the Executive Committee, with little or no presence of Maluf supporters, it appearing more than probable that Jarbas Passarinho would be elected to the presidency.

If the convention is held in May, as is foreseen, there will be no problem in the election of Passarinho because he would have already left the Ministry of Social Welfare after the inauguration of Tancredo Neves on 15 March. The law forbids ministers of state from belonging to party executive committees even though it allows them to be in the national leadership. It may be, however, that events may counsel the early holding of the convention sometime after 15 January, still under the Figueiredo Administration. The reason would reside in the need for neutralizing possible Maluf reactions, since the candidate would not remain with crossed arms toward that veritable "blitz" unleashed against him. In that case, Jarbas Passarinho would ask President Joao Figueiredo to release him from the ministry.

It is a state of war between the ministers and the PDS leaders, who want to recover the party, and the candidate, who today is still the major leader of the party. His statements that there is no PDS leader and that he does not accept the presence of dissidents or moderates, demanding that all must be considered Maluf supporters, will not be well accepted. His own followers, who are the most involved in government, such as Ibrahim Abi-Ackel, are retreating. The minister of justice said a few days ago that he must carry the coffin until 15 January because of loyalty and consistency but after that date there will be no commitment to Paulo Maluf.

The problem is that the would-be rescuers of the PDS are fighting on two fronts. On one side they are fighting against Paulo Maluf, and on the other against the Liberal Front. They seek to avoid new defections to Tancredo Neves as much as possible and that is why they thought up the resignation of the former governor of Sao Paulo, who would not be replaced



by anyone. The PDS would not have a candidate in the Electoral College, thus insuring an easy victory for Tancredo Neves. This would make possible the recovery of a good part of its dissidents. The efforts being made are to prevent those dissidents from formalizing their entry into the Liberal Party, which is rapidly being formed under the leadership of Aureliano Chaves and Marco Maciel. The Liberal Party and the PDS will compete for the position of the second largest national party, since the largest, without a shadow of a doubt is the PMDB [Brazilian Democratic Party Movement]. It now has the largest number of federal deputies, senators and governors.

The PDS members have another trump to play against Paulo Maluf: In case the candidate oppose the aforementioned actions and creates problems, the government could undertake the maneuver of having a large number of its legislators casting blank ballots in the Electoral College, depleting the already depleted contingent of supporters of the candidate. Against the efforts of the Liberal Front to form itself into a party, work has already begun among the dissidents, particularly among the governors. If the PDS were to be free of the Maluf influence, and perhaps of Maluf himself, why not think twice about hurling themselves into the adventure of creating a new party, something which is always difficult? They could return to the revamped party and they would be very welcome.

8908

CSO: 3342/67



GOOD TRADE RELATIONS WITH NIGERIA RESUME

Sao Paulo FOLHA DE SAO PAULO in Portuguese 11 Nov 84 p 44

[Article by Jaime Matos]

[Text] A victim of the short circuit that jolted the petroleum market 3 years ago and caused prices to collapse, Nigeria passed from its status as one more promising customer for our exporters of manufactured goods to the limbo made up of high-risk purchasers. Its situation was made worse at the beginning of 1984, when Gen Mohamed Bouhari's new government sent notice of a unilateral moratorium to 20,000 firms all over the world--to which \$8 billion were owed.

In Brazil, a group of between 30 and 40 firms is holding overdue bills totaling an unknown amount (there is talk of figures between \$165 million and \$300 million) and is still waiting for the first installment to be paid in the form stipulated by the Nigerian Central Bank: interest only--at LIBOR plus 1 percent for 6 years, since payment of the principal will not begin until June 1987. "We have decided not to sell any more to Nigeria," says Joergen Strube, chairman of Brazilian BASF, one of the firms that has exported without receiving anything in return. "Rather than continue in that market, we prefer to diversify right here in Latin America."

That natural distrust on the part of former suppliers is now being combated on all fronts. Nigeria's ambassador, Olayemi Mudazir Adisa Abiola, told FOLHA DE SAO PAULO this week: "We have finally managed to put our house in order. We had serious administrative problems, since state agencies and state-owned enterprises in my country used to import goods or borrow money without any controls. Now the Central Bank is completing its survey of those past deals and taking over the reins. Any transaction now has to be registered."

With the house having been put in order, Brazilian exporters are starting to resume their regular shipments to Nigeria. On 15 November [1984], for example, just after the signing by President Joao Figueiredo of a protocol for the intensification of trade in that direction, Cotia Trading (Brazil's third largest trading company, with an expected billing of between \$150 million and \$180 million in 1984) will be making its first shipment of goods under a huge contract.



That contract, which was signed last September and is to be fulfilled within a year, covers a broad range of products making up the list of priority Nigerian imports--all the way from soybeans to railway equipment and from cotton to telecommunications equipment--and will bring in \$500 million. When it ends, another contract for the same amount will replace it.

Since PETROBRAS has arranged to buy larger quantities of petroleum from Nigeria and there are still a few more deals that might be made--for example, an expansion of petroleum-refining operations carried out by PETROBRAS for that African country--it will not be surprising if the flow of trade (exports and imports) hits \$1.5 billion in 1985, according to Roberto Gianetti da Fonseca, Cotia's vice president. If he is correct, the figures will wipe out the failures in the bilateral trade balance over the past 2 years and equal the 1981 figures, when Nigeria bought \$770 million worth of goods from Brazil and sold it \$720 million worth.

Fonseca emphasizes that in this resumption of trade, Cotia is merely making a commercial deal, "taking advantage of the maturing of our relations with Lagos, which were planted 8 years ago and which have been irrigated with hard work that compels us to keep no fewer than 50 Brazilian employees in our local office." In other words, he is emphasizing that there was no interference by the government in the negotiation of the two contracts worth \$500 million each.

He says: "What we can acknowledge is that there was political help. PETROBRAS showed Brazil's good will by increasing its petroleum purchases from Nigeria. In turn, Nigeria favors Brazil in making its purchases of manufactured goods. That is all. The transaction and the risks are Cotia's responsibility."

In Fonseca's opinion, the firm is not in danger of winding up in the delicate position of a supplier with only one customer. "On the contrary, what we will see is the appearance of a new challenge," he says. "We are going to have to work very hard and open up new markets to offset the weight of that contract for \$500 million. It is difficult, but not impossible. The proof is that we have already locked up contracts worth \$200 million for 1985 outside Nigeria."

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CSO: 3342/56



GUERREIRO FORESEES NO CHANGE IN FOREIGN POLICY UNDER NEVES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Nov 84 p 4

[Text] Brasilia--Minister of Foreign Affairs Saraiva Guerreiro does not believe that if the opposition comes to power under former Governor Tancredo Neves on 15 March, there will be any basic changes in the current course of foreign policy. At most, there may be changes in style. The minister of foreign affairs was speaking yesterday at the Foreign Policy Meeting sponsored by the Foreign Relations Committee of the Chamber of Deputies.

The minister said there had been a "maturing" of Brazilian diplomacy under the Figueiredo administration, "which has always followed the rule of specific, frank, and fluid dialogue" while never forgetting the national interest. Saraiva Guerreiro took advantage of the opportunity to take stock, as this administration comes to an end, of his 6-year stint in the Ministry of Foreign Affairs. During that period, the international scene was marked by political and economic deterioration. He paid particular attention to examining the effects of the economic crisis, recalling that the poor countries have been affected--"and the proposals for reformulating the economic system have made no headway."

Latin America

The priority assigned by the Figueiredo administration to Latin America was recalled by Guerreiro. He said that Brazil has always tried to be honest: "We never told a country--a foreign government--anything that did not correspond to what we were thinking. We never told any country something different from what we told another. This helped us greatly. That was the case, for example, during the Falklands episode. On the one hand we had Argentina, with which we were cultivating special relations, and on the other, there was Great Britain, with which we also had friendly relations. And the conflict ended with no change in our relationship with either country."

Praise

Guerreiro praised himself, saying that "what we were looking for was not headlines or dramatic effect." According to him, the path followed was "that of solidity and confidence, and I have no doubt that we were successful."



The minister hopes that his successor will have more time to devote to foreign policy. "This is now the case with me, thanks to the decentralization brought about by the recent reform." That reform, much criticized in Congress and the press, established four under secretariats and deflated the importance of the departments, which had previously been the ministry's most important organizations after the Office of the Minister of Foreign Affairs. Critics said that "the reform was carried out only to give jobs to the large number of Brazilian ambassadors, who outnumber third secretaries."

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CSO: 3342/56



# SERRA TO AID NEVES IN FORMULATING ECONOMIC PLAN

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Nov 84 p 6

[Article by A.T.C.]

[Text] Governor Franco Montoro confirmed yesterday that his secretary of planning, Jose Serra, will help Tancredo Neves, the Democratic Alliance's candidate, formulate an economic plan for the country. But Montoro said that it would be simply a matter of cooperation on the part of Serra, who will continue to perform his duties in the Sao Paulo government. As he explained, this is not the first time that Tancredo Neves has asked for help from Sao Paulo, but none of the secretaries is committed to the future cabinet of the Democratic Alliance's candidate.

On being asked about the reports that Serra would join Tancredo's government team, Montoro denied it, saying: "You are rushing things and mixing up events. Sao Paulo has already cooperated with candidate Tancredo Neves on several occasions--in connection with sanitation and data processing. Now he is asking for cooperation again, this time in the economic area. And as part of the team, fellow worker Jose Serra will lend his aid, but without any commitment to the future cabinet."

## Ideological Preference

The appointment of Secretary of Planning Jose Serra to be part of the Tancredo Neves team and help formulate the emergency program for the government to be elected involves two interesting consequences that deserve analysis.

In the first place, it is essential to disclose that some Sao Paulo economists whose ideological preferences link them to leftist movements fear that the former mayor of Sao Paulo, Olavo Setubal, will wind up being confirmed as the possible minister of planning in the next administration.

Like engineering, economics is not a science in which there is leeway for "leftwing" or "rightwing" views. All the same, there is a group of technocrats



in that sector who hold out hopes of seeing the new administration adopt less "orthodox" stands that will satisfy the political aspirations identified with the leftists.

And it is needless to emphasize that Olavo Setubal, one of the most prominent individuals in the Brazilian economic world, is excluded by his stands from any involvement with the Left. Strictly speaking, his conduct rules out concessions of an ideological nature and clearly places him on the side of free enterprise and against the process of state control.

Olavo Setubal is too conservative for the politicians having a love affair with the Left. With him at the head of the Ministry of Planning, they say, nothing would be different: nothing would change substantially. From that perspective, therefore, the ideal thing would be to clear the way for economists having a more "advanced" view of contemporary problems--in line with the ideas advocated by a few economic bigwigs who have become notable through their opposition to Delfim Netto.

From all indications, that is the context surrounding Jose Serra's appointment to collaborate on the Tancredo Neves team, because it creates the possibility of producing an accomplished fact and then continuing from there. In short, it is necessary to occupy the position in question before the sober Olavo Setubal fills the void on the strength of his competence.

It is obvious that Tancredo Neves is not naive, nor is he uninformed. He can spot political games better than anyone. If he is encouraging and promoting greater prestige for Jose Serra, it is probably because he expects to collect dividends which are difficult to identify at this moment.

The Sao Paulo secretary is not a man with an easygoing temperament. In the Montoro government, besides not accomplishing anything that might dignify his biography, he has had disagreements with so many people that he has come to be opposed by a good percentage of the PMDB [Brazilian Democratic Movement Party] as though he were an adversary. With rare exceptions, the state assemblymen in particular do not like him. However, he is a strong member of Franco Montoro's team, so strong in fact that he has already gotten rid of two secretaries: Horacio Ortiz (transportation) and Paulo de Tarso Santos (education).

If he actually does join the Tancredo Neves team and leave the [state] government, it is possible that his departure will be viewed with relief by the political class. And here is where a question arises: is it possible that the discontent with him has helped encourage his move to the federal sphere?

That question--with a moderate dose of venom--is being asked by the politicians who are least irritated with Jose Serra. Olavo Setubal, who never lost his political rights, was never in exile, and has no ties with leftist groups, will keep tabs from a distance on this inchoate start of work by the Tancredo team. In the opinion of some PMDB members, his status as a "new convert" to the opposition is unpardonable. After all, the characteristics that helped push him to the fore are now being used by those intending to oppose him in an attempt to keep him out of the next administration.



## Court Appointment

During an interview at Bandeirantes Palace the day before yesterday, Governor Franco Montoro told Deputy Evandro Mesquita that he would not appoint the new member of the Sao Paulo State Court of Accounts until next year. He has received several applications for the vacancy opened up by the retirement of Oswaldo Muller da Silva and does not yet know which to consider.

Evandro Mesquita himself asked the governor to appoint a state deputy as requested in a unanimous letter sent by the party bloc in the Legislative Assembly. But the governor explained that he intends to choose an acting adviser from a list of three names (from among those approved by the Assembly) and to make his final choice next year.

One interesting point: the acting adviser will have to agree, as a condition for being appointed even temporarily, not to seek permanent appointment. The strongest competitors for the lifetime appointment are Deputies Israel Dias Novaes and Paulo de Tarso Santos (a former secretary) and Public Prosecutor Ronaldo Marzagao, the latter as a technical solution.

11798

CSO: 3342/56



## CALS PREPARES LIST OF PROJECTS TO AVOID ENERGY RATIONING

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Nov 84 p 28

[Text] Brasilia--Minister of Mines and Energy Cesar Cals said yesterday that he is preparing a list for the next administration of all the projects that must be approved in 1985 to avoid energy rationing in 1990. His list is based on the assumption that the current rate of increase in consumption--12 percent per year--will continue through the end of this decade, making it necessary to double the capacity from 40,000 megawatts to 80,000 megawatts within 6 years.

That growth in consumption of about 12 percent annually exceeds all the forecasts made by the electric industry since 1981, when ELETROBRAS [Brazilian Electric Power Companies, Inc.] drew up the "plan for energy supplies through the year 2000" or "Plan 2000," which forecast annual growth on the order of 10.1 percent between 1985 and 1990. The most recent working hypothesis--the so-called alternative hypothesis--was prepared in April 1984. It predicted annual growth on the order of 8 percent. It was on that basis that General Costa Cavalcanti, chairman of ELETROBRAS, was considering the need to invest 36.4 trillion cruzeiros between 1984 and 1988 in the area of electricity generation, transmission, and distribution.

If correct, the new forecasts of growth in electricity consumption will require even larger investments. Currently being built, completed, or expanded in the North and Northeast are plants with a total capacity of 32,833 MW. They include Balbina (300 MW), Curua Una (40 MW), Tucurui (3,960 MW), Presidente Castello Branco (234 MW), and Samuel (217 MW). In the Center-West, South, and Southeast, there are Corumba (350 MW), Igarapava (200 MW), Nova Anhandava (300 MW), Angra 1, 2, and 3 (3,307 MW), Ita (1,315 MW), Jacui (350 MW), Candiota (350 MW), Presidente Medici (320 MW), Tres Irmaos (640 MW), Porto Primavera (1,800 MW), Rosana (320 MW), Taquarucu (500 MW), Ilha Grande (2,000 MW), Segredo (1,260 MW), and Binational Itaipu (12,600 MW).

Another 38,500 MW are in the planning or design stage. Among those that reportedly need to be accelerated to go into operation in 1990 are the second phase of Tucurui (3,960 MW), Santa Isabel (2,300 MW), Xingo (5,000 MW), Pedra do Cavalo (600 MW), and Jiparana (400 MW) in the North and Northeast. Said to be on the agenda in the South and Southeast are Sao Paulo's two nuclear powerplants (Peruibe 1 and 2 (2,400 MW)) and the hydroelectric plants at Salto Caxias (1,000 MW), Machadinho (1,200 MW), and Cachoeira Dourada (285 MW).



Cals said that in principle, no decision to build plants will be made during the remainder of this administration unless there is an urgent threat of rationing, but that the next administration will receive a complete listing including all the steps taken to date to proceed with the bidding process or contracts in connection with civil projects. This will permit an immediate decision concerning tenders or the signing of contracts--as, for example, in connection with the second phase of Tucurui, whose civil projects will be executed by Camargo Correa.

A source in the power industry acknowledges that if the next administration decides not to allocate funds of that magnitude--nearly 40 trillion cruzeiros--to the electricity sector over the next 6 years, an alternative would be to cancel the current program for thermal electricity, which calls for the utilization of 9,000 MW by 1990 to replace petroleum products with electricity.

11798

CSO: 3342/56



GATT DECISION ON SERVICES VIEWED AS COMPROMISE

Brasilia CORREIO BRAZILIENSE in Portuguese 1 Dec 84 p 12

[Article by Frota Neto: "GATT Has an Intermediate Solution"]

[Text] Geneva--As was foreseen, yesterday afternoon's final decision on services adopted by the Annual General Agreement on Trade and Tariffs--GATT--was a compromise solution. By means of an understanding between the two parties, it will be up to Hans Ewerloff of Sweden, in the name of the member countries, to organize an "exchange of information" on services. The decision was left, therefore, between the two positions at opposite ends. One side, represented by the United States, wanted GATT itself to make those studies, with emphasis that they should be implemented immediately. The other side, headed by Brazil, believed that such an idea was debatable and at least premature.

An intermediate solution finally prevailed. There were no losers or winners, according to Ambassador Paulo Nogueira Batista, chief of the Brazilian mission to the United Nations in Geneva. He said: "The GATT system as a whole was strengthened by the episode." Actually, different decisions were adopted in areas such as agriculture and counterfeiting (unauthorized copies). However, there was no progress at all in safeguarding high technology products. As far as the service sector was concerned, the key piece in the concerns of the government and executives of companies considered of "national capital" in Brazil, here is a summary of what was debated and how the situation remained after the decision adopted yesterday.

The proposal forwarded by the United States requested that in the meeting ending yesterday it be decided that 1) a task force be created in GATT for the exchange of information on the service sector; 2) such task force would have the GATT secretariat as its secretary; and 3) on the basis of the results of that task force, there would be an examination at the next annual GATT meeting "on whether or not some multilateral action on the commerce in services is appropriate or desirable."

According to what was decided yesterday, the United States will not get the task force, but obtained approval for the study to be made. The study will be made under the direction of a representative of a member country (Sweden)



and not under the bureaucracy of GATT. Moreover, if the GATT secretariat is not going to direct or be the secretary of the work, it will be up to him to perform that task and to make an analysis of the final results of the study.

Despite the fact that it appeared only to reproduce the ministerial resolution of GATT in 1982 on services in its entirety, the agreement yesterday introduced two changes in that resolution which could represent (in the future) the approval of the study on services by GATT (and not by agencies such as UNCTAD, which view the North-South context on the basis of world economic relationships). Therefore, the acceptance of GATT as a forum, even though preliminary, for talks and negotiations on services, was being interpreted as a step forward for expanding the purview of GATT as a regulator and disciplinarian of "trade in merchandise and services," exactly what the United States wants.

#### Status of Brazil

In a first interpretation, yesterday's decision on services, as far as Brazil is concerned, appears to change two items. The first of them is that Brazil will now have to make its national studies on services. Therefore, it will officially have to explain its world position in that sector and in that manner view its double position: it is expansionist with respect to foreign markets and protectionist with respect to domestic markets. The second point is that even indirectly Brazil accepted a deadline for the examination of the suitability of the regulation of services. That examination must be made in the November 1985 meeting.

It is obvious that counting from 1982, date of the first attempt by the United States, Brazil gained 3 years. But it must be specifically more pressured as of now, which does not prevent it from once more seeking to gain time, particularly in the establishment of all the questions to be negotiated, including which forum will be the most appropriate, GATT or some other international agency.

At any rate, it is necessary to acknowledge that yesterday, as in November 1982, Brazil only gained time, although it continues to be against the U.S. theory of "regulating" (translation: liberalizing) the trade in services. The relationship of Brazil in that case has to be placed in a broader context of its relationships with the United States. The United States is the main creditor and main trade partner of Brazil. There are bilateral trade agreements, which are vital to Brazil, with the United States. Viewed in that way, the weapons of pressure of the United States are not puny as far as economic weight is concerned. In the political context, it remains a matter for the next president because the services sector is the key piece for large sectors of the so-called "national enterprise" (banks, insurance companies, heavy construction, among others), which are today in a preeminent position in the presidential succession.

8908

CSO: 3342/67



BRIEFS

HARRIER OPTION CLARIFICATION--The minister of the navy yesterday distributed the following note to the press: "With respect to material published in the newspaper O ESTADO DE SAO PAULO in its 11 December edition on the option for purchasing aircraft for the light aircraft carrier "Minas Gerais," written by Roberto Godoy, the Ministry of the Navy does not endorse the aforementioned material. It also explains that neither the Admiralty nor any other "agency of the naval administration has made a decision on the possibility of buying aircraft of the Sea Harrier type to equip that ship or any of the others of its fleet. The navy also declares it is not participating in negotiations, which according to that writer are allegedly being made in that respect involving the provision of turboprop T-27 Tucano aircraft of EMBRAER [Brazilian Aeronautics Company] to Great Britain." Editor's Note: Newspaperman Roberto Godoy replies: "1. At no time does the O ESTADO material state that the Navy had formalized options for the purchase of the Sea Harrier aircraft, but only that the fleet is studying as "is routine, the English combat aircraft as an alternative for equipping the "Minas Gerais" aircraft carrier. 2. The high sources in Admiral Alfredo Karam's office, questioned by the newspaper in the preparation of the article, once more confirmed yesterday night the correctness of the information contained in the material." [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Dec 84 p 6] 8908

CSO: 3342/67



## BRIEFS

SUPREME COURT REJECTS CHURCH REQUEST--The Chilean Supreme Court has rejected a Catholic Church request to investigate the disappearance of 14 communist militants who were arrested or kidnapped following the 11 September 1973 fascist military putsch. Relatives of the 14 militants accused the judges of shamelessly failing to fulfill their duties. The Catholic Church's Vicariate of Solidarity [Vicaria de la Solidaridad de la Iglesia Catolica] and the Association of Relatives of Missing Detainees [Agrupacion de Familiares de Detenidos Desaparecidos] stated that according to a recent statement by Andres Antonio Valenzuela, a deserter from the Chilean military regime's intelligence services, those 14 communist militants were murdered between July 1975 and November 1976 after being tortured in clandestine barracks and jails. The Vicariate of Solidarity also reported that relatives of five individuals under detention at National Intelligence Center branches were not allowed to visit the detainees, although an order issued by the Santiago Court of Appeals granted them the right to visit their relatives. [Text] [Havana International Service in Spanish 1600 GMT 8 Jan 85 PA]

CSO: 3348/261



CHINESE PLEDGE AID DURING PORTSMOUTH MAYOR'S VISIT

Roseau THE NEW CHRONICLE in English 16 Nov 84 p 1

[Text] Portsmouth Mayor Renwick Jean Pierre returned to the State recently after completing an official goodwill visit to the People's Republic of China.

While in China the mayor visited projects related to agro-industry, housing, fishing, tourism and cement manufacture and Educational development in various parts of the country. He also visited historical museums, and impressive historical structures including the 2000 years old great wall of the people.

A release from the Mayor reveals that during the course of official discussions, representatives of the government of The People's Republic of China expressed solidarity with the people of the Caribbean in general and agreed to contribute towards development projects in the municipality of Portsmouth, including the financing of a Multi-Purpose Cultural

Centre, but subject to the approval of the Government of Dominica.

The Mayor received the unanimous approval of the Portsmouth Town Council, at a meeting held on Tuesday 13 November, for acceptance of the offer of the Chinese Government for the erection of the Centre at Portsmouth. The cost has been estimated at E.C. \$1 million exclusive of self-help contributions from the Portsmouth Community. The proposal will now be presented to the government for consideration.

It is the Mayor's hope, the release concludes that his visit, first by an elected official from Dominica to China will contribute towards the establishment of diplomatic relations, friendship, and goodwill between the peoples of Dominica and the people of China.



PNC REGIONAL CONFERENCES HEAR FROM PARTY OFFICIALS

Burnham Message

Georgetown NEW NATION in English 25 Nov 84 p 5

[Text] Leader of the People's National Congress Cde. Forbes Burnham sent a message to the Annual Regional conference of Region Six last weekend. The message reads:

"It is now some four years since we have established the National Congress of Local Democratic Organs, a system which seeks to enable greater participation of the masses of Guyanese in the development and the future growth of their country.

This system still has some setbacks, of which we are aware, but the evidence testifies that gradually we are able to transform our society away from an imported or transplanted model of Local Government into one that is more appropriate to our Environment and our aspirations.

Throughout Guyana in all 10 Regions, there are at this time, meetings and conferences of this kind. The results of these conferences are very significant because they represent what the people will have deliberated on, and selected for themselves. This is how it must be, for only from among the people can there be adequate clarity in the conception of their needs.

As you gather for your conference may I take the opportunity to wish you every success in your deliberations and may you recognise from your indepth considerations of the issues, you deal with, the magnitude of the tasks that lay ahead of you.

It is my ardent wish that every one of you will realise in the course of this conference that you have to resolve to be of greater service in the year ahead.

General Secretary's Speech

Georgetown NEW NATION in English 25 Nov 84 p 5

[Text] General Secretary of the People's National Congress, Cde. Ranji Chandisingh, told the people of Region Six, last weekend that the People's National



Congress, under the astute leadership of Cde. Forbes Burnham, has made Guyana a haven of peace and stability over the past 20 years.

Addressing hundreds of delegates, observers and invitees at the East Berbice/Corentyne Third Annual Regional Conference, at the Corriverton Primary School last weekend, Cde. Chandisingh said that the efforts and hard work by the People's National Congress have brought about the kind of peaceful atmosphere Guyanese are now enjoying.

He declared that we must count our blessings for having a leadership that not only brought peace and stability to our land, but which is standing up to all the pressures being applied by internal and external forces.

Cde. Chandisingh pointed out that the People's National Congress under Cde Burnham has been pursuing the sort of policies and approaches which are consistent with the policies of a really national Party, rather than a sectarian Party. It is a Party that seeks and embraces all the people of our country, he said.

He called for national unity to improve the economic and social well-being of the masses and not to allow factionalism to be a hindrance. Rather, all must work to preserve, at all cost, the unity which now prevails.

The PNC General Secretary added that agents of imperialism were trying desperately to create confusion and to cause disunity. "Members of the People's National Congress must safeguard against those veils and work to ensure that the gains made over the years are preserved and maintained" Cde. Chandisingh told the conference.

Cde. Chandisingh, commenting on the economic situation, declared that "we are not in receipt of good prices for our sugar and bauxite. The cost of production is very high while the world prices are very low, causing a severe problem because we cannot import basic commodities to meet the needs of the people."

#### Reid Remarks

Georgetown NEW NATION in English 25 Nov 84 p 2

[Article by P. H. Daly]

[Text] Once again Cde Ptolemy Reid, Deputy Leader of the People's National Congress, under the inspiration of his experience and with the courage coming from a life time of political combatancy, has delivered sorely needed a message to the nation.

The message was delivered at the Mackenzie High School where the Deputy Leader was addressing a large gathering of Party members and other workers at the Region Ten third annual conference.

Cde. Reid told the conference that if the attitudes of managers and supervisors in Guyana are not changed in keeping with Guyana's development thrust the type of development planned in the country will not take place.



The Deputy Leader added that the attitude of those placed in positions to lead must inspire those persons who are being led in the cause of development.

He identified the recent establishment of People's Co-operative Units and the Neighbourhood Committees as part of the Regional system in Guyana.

Commenting on the attitudes of Party members Cde Reid said that the behaviour of Party members must not be manifested in words only. They should also be shown in deeds.

The Deputy Leader's message calls the nation to an examination of conscience. It is specifically a call to all those neo-colonials in a position of authority, who are feathering their own nests and the nests of their cronies, for them to change their ways which are in contradiction to the Socialist cause.

Whoever they are, wherever they are, and regardless of the masks of pretence they wear, leaders who fail to lead by example sentence themselves to being led away from the positions they parody and the authority they misuse.

CSO: 3298/251



# TUC HOLDS SPECIAL CONFERENCE, STANDS FIRM AGAINST GOVERNMENT

## CHRONICLE Report

Georgetown SUNDAY CHRONICLE in English 18 Nov 84 p 1

[Text] Delegates attending the opening day of the two-day special conference of the Guyana Trades Union Congress have praised the Police for their efforts in dealing with the new type of bandits who kick down doors in their attempt to rob households, but also called on the Ministry of Information to investigate certain reports made against the Police.

Delegates attending the conference in the Joseph Pollydore Auditorium of the Critchlow Labour College also dealt with the condition of the Brickdam lock-ups and discussed the situation in Grenada, wages and salaries and the Voice of Labour newspaper and radio programme.

The report submitted by Cde Joseph Pollydore, General Secretary of the TUC was accepted by delegates after six hours of debate.

Today delegates are expected to discuss the treasurer's report and deal with more than 100 motions.

## Charges Against Gov't

Georgetown CATHOLIC STANDARD in English 18 Nov 84 p 4

[Text] THE GUYANA TUC in a release of Nov. 12 last, accused the Government of failing to bargain in good faith and striving to dismantle the collective bargaining process. The issuing of the release followed the announcement on Fri., Nov. 9, by President Burnham which imposed a wage of \$15.10 while negotiations were still going on between the TUC and Government. This was seen by workers as an attempt to undermine the position of the TUC Executive by the use of the infamous Labour Amendment Act of 1984. This, they argue, is borne out by the President's accusation against the TUC negotiating team of foot-dragging, when, in fact, it was the government that was foot-dragging. The letter from the State Planning Secretariat, setting out the government's position, was only submitted to the negotiating team on Nov. 8, the day before the President made his announcement, even though it was dated 16 days earlier, Oct. 23.



Workers have commented that the increase which the President imposed represents merely the price of an extra box of matches a day.

They recall that they were promised a minimum wage of \$14.00 a day in 1979 and that up to today in Nov. 1984 they are still receiving \$12.71 a day.

This figure is \$1.29 less than the promised \$14.00 of 1979, even after the payments of 1980-1981.

Since 1979, moreover, the cost of living has risen by at least 300%.

At a press conference on Mon. Nov. 12, the TUC Executive, Chaired by President George Daniels, promised to continue to press for a minimum wage of \$25.00 a day, which they claim would cost the government an increase in its wage bill of \$275 million.

On the other hand, President Burnham claims that the cost would be \$639 million.

At the conclusion of the press conference, the General Secretary,

Mr. Joseph Pollydore, pointed out that while President Burnham spoke of \$15.10 as not prejudicing the present negotiations between the TUC and government, there was no indication that this figure represented an interim pay-out.

It is therefore likely, he said, that it represents a minimum wage.

The TUC Executive, struggling for \$25.00 a day minimum wage, argue that their position represents an investment in people, in Guyana's most precious resource, and as such in the long term would positively affect production and productivity.

They argue that any imposition, no matter how apparently generous, can only lead to weakening morale and more loss in productive hours.

Workers are determined, according to their labour representatives, to stand firm with the TUC Executive in any action they take to achieve a minimum wage of \$25.00 a day.

#### Stand on Wage Issue

Georgetown MIRROR in English 18 Nov 84 p 1

[Text] Workers throughout the country are being apprised of the state of negotiations currently taking place between the central government and the Trades Union Congress on the wages issue. On Monday last, the TUC executive headed by President George Daniels held a meeting with all affiliates to brief them on the wages issue, following which briefing, Mr. Daniels hosted a press conference in the TUC Board room. (See full report inside).

As announced by Mr. Daniels, the affiliates opted to reject the government's offer of \$15.10 per day as "inadequate". Some trade unionists pointed out that "\$15.10 can't even buy a good lunch." They therefore urged that the TUC continue the negotiations until a satisfactory figure is reached. For bargaining purposes, the TUC projects \$25 per day as the new minimum wage, which is a substantial climb-down from the \$38 per day projected before the change in TUC leadership took place.

Mr. Daniels who fielded most of the questions (and backed up by TUC economic adviser Dr. Clive Thomas) did not disclose what compromise figure could be acceptable to the TUC.

He also criticised the deteriorating situation in the economy, where production is falling, and urged that the TUC be given a place in effective planning, and



not for the government to be solely involved. Dr. Thomas called for "an investment in people" as he criticised the budget deficits in two aspects...how it is raised and how it is spent.

The point was also made that the TUC has no inkling of what the government may be planning in the wages talks, while on the other hand, the government knows exactly what the TUC plans. This is so because government still has some Ministers on the TUC executive.

It is planned to intensify the TUC's Voice of Labour radio programme and to get the Voice of Labour newspaper going again, because of the TUC's "inability to get its releases inserted in the media". Mr. Daniels further said that "we have to go out and meet the workers at their work places so as to bring them up to date."

General Secretary Pollydore affirmed that workers are totally dissatisfied with the offer of \$15 per day, but noted: "We have no assurance from any quarter that the \$15.10 would be an interim measure".

#### Daniels Address

Georgetown MIRROR in English 18 Nov 84 p 1

[Text] Hundreds of members of the Guyana Mine Workers' Union, and the Guyana Bauxite Supervisors' Union unanimously backed a motion supporting the Guyana Trades Union Congress in its bid to secure a \$25. per day minimum wage in the current negotiations with government.

The workers who had gathered last Thursday evening at the union hall of the GMWU at Linden also rejected the \$15.10 per day minimum as an interim payment, together with the 10 per cent increase for bauxite workers in the government's wage package.

The workers had gathered to listen to newly elected President of the TUC, George Daniels. It was noted by Chairman of the meeting, Lincoln Lewis, TUC Organising Secretary and General Secretary of the GBSU, that it was the first time a TUC President went there to speak to workers.

Daniels, who was warmly welcomed, said that in the strivings of the new TUC Executive body to defend the rights of the workers, there have been threats by elements who "feel we are against them". Referring to the "Burnham handout" announced at the GLU Congress while negotiations were in progress, he noted that had the TUC done that "some of us would have been in Sibley Hall." He said it is time for the TUC to either bow or play its rightful role. Regardless of political persuasions all workers must rally together and define their rights, he urged. Daniels, who publicly stated he supported the PNC for a long time, made clear his resentment of the ruling party's policies. These people, he said, referring to the PNC, want you to take in word for word what they say and feel others have no ideas or initiatives.

Daniels gave the details of the negotiations and showed how it was the government that was dragging its feet on the negotiations. He said it was good for



the President of the Republic to intervene because of his concern for the workers. "Burnham's concern," he said, however, "should have been shown earlier."

While speaking on wages he warned the workers not to think only of wages and salaries but to show concern for the industry in which they operate and the country as a whole. The workers have a vital role to play in the industry. He called for their active involvement. He sees the bauxite industry as pivotal in Guyana's further development. Leslie Melville, TUC Executive Member on the negotiating team, and accompanying Daniels said the government has a lot of plans but unfortunately in these plans they forget the lot of the people who have to carry out those plans. It is the duty of the TUC to always see to it that the people's interests are upheld.

Daniels rejected all plans of the government to retrench workers. This has always been a threat, he said, when workers ask for increased wages. He disclosed that despite assurances, certain state agencies are working on retrenchment plans. In his view, it is not for the TUC to tell the government how to find money for increased wages, since they were not involved in running the affairs of the country. He expressed the view that at the moment it would serve Guyana better if the government should use all available funds to increase the productive capacities of existing projects rather than creating new ones. It seems, he said, that everytime someone gets a brainwave, there is a new project. The TUC President said all should be involved in seeing that the economy gets back on stream.

In rejecting the government's present position as unacceptable, he declared that the TUC will continue to bargain for better wages and called on workers to assist them in this battle.

#### Walk-Out, Ban on Ministers

Georgetown GUYANA CHRONICLE in English 19 Nov 84 p 1

[Text] Fifteen of the 24 member unions of the Guyana Trades Union Congress (TUC) yesterday, walked out of the Congress' Special Conference contending that the Chairman of the session (and TUC President) George Daniels acted undemocratically in not permitting a member of the GLU to make a point of order.

"The chairman acted rather undemocratically. It was an unprincipled and unusual act by the chairman--an act not in keeping with the established procedures for the conduct of meetings," a spokesman for the 15 unions which are said to be supportive of the Government, explained after the walkout.

In spite of the walkout, representatives of the remaining nine unions proceeded to debate amongst themselves and to pass a number of motions including one stipulating that Ministers of the Government should not serve on the Central Executive of the TUC.

Meanwhile, reliable reports yesterday indicated that the holding of last weekend's special two-day conference is likely to be the subject of some controversy.



One report contended that the TUC is empowered by its constitution to convene special conferences only to deliberate upon urgent business and not to deal with the "unfinished business" of a previous conference as was the case with the two-day conference which got under way at the Critchlow Labour College Saturday.

Another report contended that in a bid for the new executive to take office speedily, last month's conference was not "adjourned" so that last weekend's conference could not be considered a continuation of last month's.

The controversy is, therefore, likely to challenge the jurisdiction or the constitutionality of last weekend's conference to deal with the unfinished business of last month's conference. (GNA)

#### PNC Action Against Delegates

Georgetown OPEN WORD in English 19 Nov 84 pp 1, 2

[Text] Methods similar to those used by Hitler against German trade unions and labour members of parliament were employed by the PNC last week against delegates and unions which successfully rebelled last September and freed the TUC from PNC domination. Delegates who represented the Mortgage Finance Bank at the TUC 1984 Annual Conference were dismissed from employment, Frank Nicholson of GWU was sent on forced leave and then dismissed, and changes in the delegations representing three unions--Manpower Citizens Association, Guyana National Cooperative Bank Staff Association and General Workers' Union--were commanded. Using Gestapo methods, the regime also brought a frame-up charge and imprisonment against brother John Warde, Treasurer of GWU, for allegedly causing "malicious damage" to two telephones at the union office.

It is expected that GWU General Secretary Edwin James, staunch defender of oppressed workers in other lands, will be one of the witnesses against Warde when the case is heard before Magistrate McLennon.

The PNC entered the TUC Special Conference fresh from its Gestapo successes, only to face defeat for the second time in two months in a democratic vote. Last Saturday, delegates approved the suspension of the standing orders to allow President Daniels to report on the negotiations. GLU attempted to speak immediately after but were defeated on a vote by delegates that discussions of wages and salaries should be taken under the head "motions".

Yesterday, the pro-management unions walked out. (See TUC release on p 2)

Mr Basil Williams, the GLU lawyer-delegate, who played a big part in the manoeuvres which led to the walk-out, is also on the Rex McKay team representing Mr Burnham in his libel suit against DAYCLEAN publisher Mr Eusi Kwayana. The walk-out was led by well known employer and employer-aides Cde McDavid (Chief Political Adviser to President Burnham), Ministers Denny & Sallahuddin and Ms Bend-Kirton. Delegates of Field Foremen & Supervisors refused to walk out even after being threatened and warned by a government enforcer. They remained to play a full part in the deliberations.



OPEN WORD observed that the incompetence and power-drunk arrogance of PNC non-worker leaders made a very bad impression even on the ranks under their command.

Delegates of MPCA, CCWU, GAWU, GMWU, GFFSU, UGSA, PSU, NAACIE and GBSU continued the work of the conference after the walk-out. The delegates who remained were more than the required quorum and in social terms represented the backbone of the sugar, bauxite, rice, engineering, university, medical, electricity, services, manufacturing and public service workers/employees.

#### Statement on Walk-Out

Georgetown OPEN WORD in English 19 Nov 84 p 2

[Text] The TUC issued a release on the walkout of some delegates on the second day of its Special Conference, Nov 18.

The incident took place after the President of the GTUC, George Daniels, ruled that a point made by a delegate from the GLU was out of order and after he advised the delegate that if he was dissatisfied with the ruling, the Standing Orders made provision for necessary action to be taken. The delegate, it is said, is a lawyer by profession and works in the Presidential Secretariat. He failed to respond to the advice of the Chairman. A walk-out by 13 affiliates, which included many small unions, then followed.

After the walk-out, a count was taken. There were 9 unions present representing more than half of organised labour and 90-odd delegates in attendance. Nearly twice the required number for a quorum were present. The relevant TUC rules for a quorum say that there must be one-third of the affiliated unions present, together with 20% of the total number of delegates, of whom not more than 10 delegates shall be counted.

The TUC release said that the action was an obvious attempt to prevent discussion of certain motions, especially the one which called for the exclusion of government ministers from the TUC Executive Council. The release concluded by saying that the motion debarring Ministers of Government from being seated on the Executive Council was passed without dissent. All of the other motions presented prior to the adjournment for lunch at about 2 pm and after, were disposed of. A spokesman for the TUC said that he hoped good sense would prevail and the unity of the Movement, so vital at this time, would not be jeopardised.

#### More on Delegate Maneuvers

Georgetown MIRROR in English 25 Nov 84 pp 1, 4

[Text] Contrary to the calculations of pro-PNC unions, their dramatic walkout of the TUC Special Conference on Sunday, November 18, failed to stop the deliberations. On two occasions, a lawyer in the Guyana Labour Union contingent, said to be attached to the Presidential Secretariat, raised the constitutionality of the Conference. In his second attempt, he sought to establish that the Conference had no jurisdiction to deal with the 100-odd motions, but was ruled out of order by the chairman, George Daniels. Delegates from 15 unions then abandoned the conference hall. Several did so under threat.



A count afterwards showed that the 9 unions that remained constituted a quorum and the business was continued. All the motions were passed but it was agreed to summon another meeting within the next four months to consider changes to the rules of the organisation. It was further noted that the 15 unions had 123 delegates at the conference and represented a total of 35,413 members while the 9 remaining unions had 127 delegates and represented 37,655 members. What baffled the PNC was the fact that though they seem to control the majority of delegates, at voting time they lose out.

Since the September 31st Annual TUC Conference when the PNC control over the leadership of the TUC Executive was broken, there have been attacks on that body from different quarters. The PNC anticipates trouble brewing between this new body and the government. President Daniels, once an ardent supporter of the ruling party, has already made it clear that he would not go along with all that party says and would continue the fight for wages and other demands.

The present rulers fear that the more militant TUC may launch out on strikes which the economy at this point cannot withstand. They have shown too, that they would not easily concede anything to the new TUC. There are hints that they may take to the courts the controversy that led to the walkout last Sunday. Daniels has been accused by PNCites of being undemocratic when in the chair. That controversy, however, has not prevented PNC controlled unions from taking part in meetings of the TUC that have been held subsequent to the walkout. In addition, the TUC negotiating team met with government and though there were disagreements, the meeting was said to have been held in an atmosphere of cordiality.

At the Special Conference which came about as a result of a decision of the last 31st Conference to deliberate on the unfinished business of that Conference, the PNC feared, just like in the 1983 aborted meeting, that the pro-labour bloc had a decisive advantage. Their presence, when motions not favourable to the government are passed, could be embarrassing, to say the least. Among the most controversial motions was one put up by Lindeners blocking government ministers from sitting on the TUC Executive Council. That motion was passed, but the two Ministers presently on the Executive Council would continue in office until the next conference.

Other motions passed condemned the Labour Amendment Act, called for a halt in dismissals, for the restoration of May Day as a workers' day, and urged that a majority of unions must first sanction wage agreements between TUC and government. One motion called for the immediate withdrawal of the bans on foodstuff--especially milk, split peas, fats and wheaten flour, implementation of proper distribution, reintroduction of subsidies, effective price controls and the re-introduction of a nationwide school feeding programme.

Among the motions passed were those calling for free and fair elections, the urgent need for a political solution, implementation of workers' participation in the public sector, the government withdrawal from negotiations with the IMF, ending of all blackmarketing in Guyana, condemnation of 'acts of aggression against Guyana on the part of the United States Administration', consolidation of relationship between Guyana and the Socialist Countries, support for the Caribbean as a Zone of Peace, against nuclear war and for peace.



The motions were presented with the TUC itself and aimed at making the organisation democratic in its structure.

Also, since the last Conference in September the pro-government forces have been using threats against workers and their representatives who expressed sympathy with the new TUC. Two leading members of the General Workers Union had their names withdrawn from the delegates' list for the Conference and were later dismissed from their jobs. Another has been sent on long leave. John Warde, Asst. Treasurer (Ag) was held in police custody for two days for allegedly breaking a telephone. Also two members of the Mortgage and Finance Bank Staff Association who were delegates to the TUC Conference were dismissed. It is understood that others who refused to walk out with the PNC unions on Sunday last would be on the firing line. A source in the TUC said, however, that these actions would be combatted. In the meantime, said the source, the TUC is keeping a watchful eye on the situation and would be careful not to be entrapped by certain acts of wilfull provocation.

#### Call for Fair Elections

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 84 p 19

[Text] At the recent special delegates meeting of the Guyana TUC from which the unions supporting the Government called out their members, a motion was passed calling on the Government to hold free and fair elections before the end of 1985.

The motion sets out the conditions that were absolutely essential if elections were to be free and fair, namely:

- (1) Preparation of new electoral rolls by house-to-house enumeration under the full control of an impartial and independent Elections Commission under whose sole charge all future elections should be held;
- (2) The elimination of (a) overseas votes; (b) proxy votes, except for those who are engaged in elections studies or public transport away from their homes; (c) postal votes; and that the counting of votes should be done in any area away from the electoral district.

In the meantime, the ruling party has once again embarked on a national registration exercise at home and abroad.

On this occasion, the registration is to be conducted by a new arrangement through the People's Co-operative Units, of which the people have had little information.

Since 1968 the lists obtained from national registration have been used as electoral lists.

"The TUC's fear, and that of many citizens, is that this registration is not supervised by an independent Elections Commission, as required by the Constitution," said a report in the "Catholic Standard."



Because of this, they are convinced that it is impossible for elections to be free and fair, if the national registration lists are used for compiling the electoral register and if the overseas votes and all the other objectionable features of former elections are retained.

Elections in those circumstances would, they say, be a complete farce.

#### Government Salary Funding

Georgetown GUYANA CHRONICLE in English 23 Nov 84 p 1

[Text] Two financial Papers, including one seeking the expenditure of \$100 million to meet the increased wages and salaries Bill for public sector employees, were approved by the National Assembly yesterday following extensive debate regarding the use of public funds.

The other Paper, sought a supplementary provision of \$27 million for a number of Government Ministries and agencies.

Leading the debate for the Minority parties on the \$100 million supplementary vote, Minority Leader, Dr. Cheddi Jagan contended that the provision for increased wages was far from adequate to meet the present economic needs of the working class.

He said that according to figures prepared by the Trades Union Congress (TUC), the minimum wage should be no less than \$52 per day. He contended further that though the new adjustments are intended to be an interim arrangement, "experience has shown that it can become binding and permanent."

Finance Minister Carl Greenidge, responding to the Minority's queries termed the TUC's figures an "absurdity". He said should a \$52 per day scale be implemented, Government would have to find a sum of money equivalent to the current Gross National Product of the country to pay the increased wages.

He said Government took into consideration the concerns expressed by the TUC, and for this reason the low salaried workers at the bottom of the wages structure will be paid increases of no less than 18.9 per cent.

The schedule requesting a supplementary provision of \$27 million was extensively queried by members of both Minority parties who requested details on how the funds sought are to be spent.

Particular attention was focused on funds allocated to the Ministry of National Development to support the impending National Registration exercise.

In answer to PPP member, Reepu Daman Persaud's contention that constitutionally, this allocation of one million dollars should have been made to the Home Affairs Ministry, Vice-President National Development, Cde. Ranji Chandisingh pointed out that the sum was needed by his Ministry as part of its mission to "sensitise the public" about their responsibilities related to the registration exercise. Some of the funds, he said will be used to purchase materials and equipment for



the Ministry's programme in support of the registration exercise to be conducted by the Ministry of Home Affairs.

Also attracting attention was the allocation of \$3,6 million to the Accountant-General's Office of the Ministry of Finance. A motion by the Minority Leader to have this sum deleted from the supplementary provisions was defeated. (GNA)

CSO: 3298/249



## TENNASSEE, DLM HELD 'CONTRADICTION' IN CALL FOR ELECTION

Georgetown MIRROR in English 18 Nov 84 p 3

[Article by Carl Bassoo]

[Text] Toronto, Canada: During last month Paul Tennessee, on yet another trip to North America, told a Toronto-based newspaper that he is now prepared to fight for free and fair elections in Guyana. This writer immediately penned a reply showing that Tennessee's call for free elections is contradictory. It also shows how this former activist of the CIA splinter group, Justice Party, (and now head of the Democratic Labour Movement) is collaborating with reactionary elements against the interests of the Guyanese working class.

Guyanese no doubt want free and fair elections and the PPP is the acknowledged foremost champion of free and fair elections. It has been carrying this battle, singlehandedly, on its own even when some mini-parties in 1980 "boycotted" the rigged general elections, and denounced the PPP for contesting. These same parties and individuals are planning to contest the 1985 elections which will be rigged.

The Democratic Labour Movement's (DLM) call for free and fair elections is hypocritical, deceptive and contradictory. Before Paul Tennessee broke away from being the WPA representative in Toronto, he vehemently denounced the PPP for being unpatriotic and opportunistic for contesting the 1980 elections.

The DLM works very closely with the People's Democratic Movement (PDM) led by Mr. Llewellyn John, Home Affairs Minister of the PNC Government in 1968. Mr. John set up the machinery and engineered the rigged 1968 elections. Tennessee and John shared the same public platform last summer in Toronto. Guyanese are not forgetful and this is why less than fifty people attended the much publicized meeting.

The DLM also works very closely with the reactionary Brindley Benn Working People's Vanguard Party and the Liberator Party. Together the DLM, PDM, LP and WPVP persistently attack the PPP which is not the enemy. The PNC is no doubt thankful to these mini-parties and therefore allows them to function freely while PPP members and activists are harassed and persecuted constantly. The DLM and its rightwing associates are no threat to the PNC regime; they are being used by the PNC to confuse the people and prevent a unified working class struggle from emerging.



In its most recent attacks on the PPP, the DLM has publicized an open-telegram which protests against alleged coalition between the PPP and PNC. This is an unfounded and desperate attempt to gain cheap publicity. The DLM is well known in Guyana for being a promoter of notorious lies, slander and misrepresentation. Reality becomes distorted when lies, fabrication, and grandiosity are incorporated in the thinking of the DLM leader. How does the DLM intend to fight for free and fair elections when its attacks are directed against the PPP which is not the enemy? How does Mr. Tennessee intend to "deal with President Forbes Burnham on his own soil" when he (Tennessee) lives on Canadian soil?

The DLM talks of creating a "consensus economic strategy" to unite all sectors of society. When the Carter Administration realised that the Somoza dynasty was in its final stages of defeat, it attempted unsuccessfully to create a political consensus that would have included pro-imperialist, reactionary elements in a political solution to the conflict.

The political purpose of the DLM "consensus economic strategy" is to build, enhance and fortify the parasitic bourgeois sector of the Guyanese society. Such an economic approach which is historically anti-working class and pro-capitalist, automatically becomes the mouthpiece and agent of imperialism as was evident in the 1960s when local reactionary forces connived with imperialism and ousted the progressive PPP government.

Like the DLM which uses rhetoric to disguise its anti-working class and pro-imperialist tendencies, the PNC regime spouts high-sounding socialist slogans but does not practice socialism; it is responsible for murder and harassment of its opponents; there are endemic food shortages; 40 per cent unemployment and falling living standards for the majority of the Guyanese people.

Fair and free elections alone would not solve the magnitude of problems that face the people.

A political solution (which includes a) anti-imperialism, b) socialist orientation, c) democracy as its main pillar) and an enunciated by the PPP and which was endorsed by the TUC, is the only alternative. The DLM and its rabid anti-communist bedmates which emplaced the PNC in power, now serves to maintain this unpopular regime in Guyana.

CSO: 3298/247



## HOW PNC HELD, LOST CONTROL OF TRADES UNION CONGRESS

Bridgetown CARIBBEAN CONTACT in English Dec 84 pp 2, 5

[Text] THE unexpected results of the Guyana Trades Union Congress (TUC) elections in early October threw a very large spanner in the Guyana government's works. Having successfully moved for an adjournment to ensure that elections took place the People's National Congress (PNC) carefully laid plans immediately began to fall apart with the defeat of Jean Persico by George Daniels of the Public Service Union (PSU). This began a voting pattern which moved further out of their control with every ballot, and which culminated in Minister of Labour Kenneth Denny's defeat by Lincoln Lewis of the Bauxite Supervisors' Union, for the important post of Organising Secretary of the TUC.

Considering that the six independent unions controlled only 84 of the 231 delegates, the election results demonstrate a considerable defection from the PNC-controlled union ranks. In the light of the special seminar called for all its delegates the previous week-end these defections are of even greater significance.

The ruling party in Guyana has not accepted in the spirit of pluralism—or in any other spirit—these unexpected reverses at the 31st Annual Delegates' Conference of the Guyana Trades Union Congress. The conference ended on October 1, 1984, with the PNC losing its 20 year dominance of the organisation.

Elections had been the primary business of the conference and it decided little else except to appoint a special congress for November 15 and 16 to dispose of outstanding business. Through its affiliate, the pioneer Guyana Labour Union of Hubert Critchlow, now led by President-General Burnham, the ruling party has indicated that it will challenge the constitutionality of the special conference in the High Courts.

METHOD OF  
PNC'S CONTROL

The means by which the PNC dominated the TUC was through a carefully worked out design: the weighting of delegate representation in favour of small unions, while the big industrial unions were, and still are, under-represented. Thus, the Association of Masters and Mistresses, probably the smallest trade union in the Caribbean, if not in the world, boasted three delegates including one Minister.

In addition to this device, the PNC, through its contacts in the TUC machinery, inflated the membership of several unions and thus their delegate representation and arranged for the recognition of unions which had not filed their annual returns as required by law.

What took place before the 31st Annual Delegates Conference in September 1984, was that the PNC held seminars for trade unions delegates who were ordered in writing to attend "even if you are



ill" and at which instructions were given for control of the delegations at crucial meetings. These seminars were called "the caucus". They were followed by a series of parties where entertainment was lavish and where the PNC leadership appeared to inspire their troops to go forward and conquer. This time delegates other than the officially invited delegates attended the party.

This administrative control of the labour movement through its central organisation provided the PNC with much of the semblance of having the public support of the workers in Guyana.

Because of the control of the TUC's machinery by the PNC and in particular because Comrade Kenneth Denny, Minister of Manpower, held the post of Organising Secretary, the TUC's May Day celebrations were effectively taken over by the PNC. For example, the General Secretary's Report at the 31st Annual Conference gave a list of the rallies mounted by the TUC. They were 12 in number and in each case the leading speaker was a PNC Minister of high functionary, while the TUC speaker was a PNC member or camp follower.

### SIGNIFICANCE OF DENNY'S DEFEAT

*It is for this reason that the defeat of the former Organising Secretary, Minister of Manpower, Kenneth Denny by bauxite worker Lincoln Lewis by 114 to 108 votes was one of the most significant defeats at this year's congress.*

At the 1984 TUC elections there were 224 voting delegates. Of these only 88 were on the lists of the six union bloc, which normally opposes the PNC's supported candidates. It is assumed that each and every one of these delegates voted against the government bloc and on this occasion the six unions were joined by a majority of the PSU delegation led by George Daniels and comprising 27 votes. It is known that the six-union bloc do not obey political directions, except in the 1982 elections when sections of them supported Gordon Todd for an unofficial committee

post and for a vice presidency which he lost on a split vote.

### RESULTS OF POLL

Although having a minority of the nominal votes according to the lists, this pro-labour bloc, the name which describes those who vote to take the unions out of the hands of the ruling party, were able to muster votes from outside their camp. The vote showed that racial voting had been overcome. N.K. Gopaul of NAACIE defeated the long-standing PNC-supported Selwyn Felix for the post of Treasurer by 117 to 105 votes. Daniels for the Presidency polled 114 votes to win. Leslie Melville of the PSU scored the highest vote for a place on the executive. Komal Chang of GAWU defeated another Afro-Guyanese, C.Y. Thomas of the UGSA: Chang polled 119 votes.

### NATIONAL REACTION

How did the country receive the news of the changes in September, and especially the news of the election of young George Daniels as President, who had only recently led a new team which tumbled the old brigade out of the leadership of the Public Service Union? *The Mirror* (PPP) exclaimed, "LABOUR SWEEPS . . .". *The Open Word*, a Monday news-sheet with known WPA connections headlined, "LABOUR TAKES BACK TUC". *The New Nation* (PNC) has not yet featured the news and the event might well not have occurred.

The official media, The Guyana Broadcasting Corporation (GBC) and the *Guyana Chronicle* gave the poll minimum treatment, playing up the Daniels' victory rather than the significance of the political change. The GBC kept assuring the public that Minister of Manpower Kenneth Denny had retained his position as Organising Secretary of the TUC even though he had already been defeated in the poll by Lincoln Lewis of the Guyana Bauxite Supervisors Union (GBSU).

The "Sugar and Bauxite Workers' Unit Committee" deemed the executive a "Workers' Cabinet" and

at once began agitating in its favour. Other groups, the Working People's Vanguard Party (WPVP) which was the left element of the now collapsing Vanguard for Liberation and Democracy (VLD) and the new Democratic Labour Movement (DLM), questioned the significance of the changes and expressed some disbelief over the

claims of a PNC defeat at the TUC, since a number of the rank and file membership of the new executive could be identified as supporters of the PNC and since members of the party retained two or three minor posts of the 12 official posts.

### REACTION OF PNC HIERARCHY

The greatest proof of the significance of the 1984 TUC elections lies in the reaction of the PNC top brass. Since September they have cracked down on their rebels with a heavy hand and have reorganised themselves for the special conference on November 15 and 16. The methods of their crack-down are noteworthy.

Their first explanation of the defeat of their candidate for the presidency, Ms. Jean Persico, President of the Guyana Teachers Union was that it was an anti-female vote. They roundly abused those who they thought had betrayed them in the poll and ordered the switching of delegates in the smaller and more dependent unions, the Manpower Citizens Association (MPCA), the Guyana National Cooperative Bank Staff Association (GNCBSA) and the General Workers' Union (GWU).

They brought the Transport and General Workers Union temporarily back under their control and ordered Frank Andrews who had led one of the separate rebellions against their control of the T & GWU's delegation, to walk out with the pro-government unions when their 13 unions left the special conference on the second day with a minority of delegates in the hope of disrupting it.

Those were their more kindly reactions. In the case of the General Workers' Union, the PNC identified the reformers as John



Warde and Frank Nicholson. These workers, fulltime union officials, were identified as the ones who had moved against financial and political corruption in their union to the displeasure of the PNC. Frank Nicholson was sent home on leave, and then dismissed. Warde was framed on a charge of causing malicious damage to two telephones, locked up at two police stations and finally dragged before the court to face a trial. He was dismissed even before the case was heard.

### **EFFECT ON PNC'S HEGEMONY**

A TUC executive, ostensibly representative of all shades of opinion and beyond the control of any political party, represents a challenge to the parties. Clearly the PNC is the most drastically affected since the government will now either have to amend or repeal its draconian Labour Bill of April this year since its contents can now be used to frustrate official policy. If the Labour Bill was meant to serve as a signal to the IMF that control of organised labour was assured and that foreign investors need have no qualms on that score, then new and different signals will have to be run up the mast. Negotiations with the IMF will also be complicated by the vigour with which the new TUC executive pursues minimum wage increases.

### **TESTS FOR NEW EXECUTIVE**

PNC problems were compounded at the continuation of the adjourned annual congress when a resolution calling for the expulsion of government ministers from the executive of the TUC was passed unanimously. Unanimity was made possible by a walk-out of PNC-controlled unions which had hoped this manoeuvre would prevent a quorum being established.

The first major test for the new executive will be the renegotiation of the minimum wage. Given the large population of state sector workers in Guyana the minimum wage is the majority wage and therefore an issue of enormous public interest. While the TUC claims the cost-of-living demands a minimum of \$52 per day, it is willing to settle for \$25 given the economic difficulties at the present times. The President has unilaterally proclaimed an increase from the present \$12.40 to \$15.10 to be paid from the end of November. By this ploy, he clearly hopes to undercut the TUC position before a momentum can be built up.

In mid-November the government ordered the police both civilian and uniformed to move against the extensive parallel market. The police swept like a hoard of looters through municipal and village markets seizing imported goods of all description—soap, cloth, shoelaces, shoes—for which duty slips were produced by stallholders but ignored by the police, and a range of goods bought locally such as salt and cassava. The crudity and selectivity which characterised these seizures generated considerable resentment among street traders and stallholders. Compounding the questionable legality of the seizures, the government announced that they would be disposed of through state-controlled outlets.

If the government no longer controls the TUC the same can be said of the opposition parties, although the changes must be seen as favourable to them. A return to constitutionality in any forum threatens the PNC mode of government. Any assessment of the developments in the TUC must vindicate the judgement of the six independent unions which have counselled patience and engineered the victory rather than split from the TUC.



DEVELOPMENT BANK HAVING TROUBLE COLLECTING ON LOANS

Georgetown MIRROR in English 25 Nov 84 pp 2-3

[Text] The Guyana Agricultural and Industrial Development Bank (Gaibank) is seeking the help of the authorities in Region 3 (West Demerara Essequibo Islands) in recovering monies due as outstanding loans to farmers. Officials of the bank recently addressed a Council meeting at which they disclosed the difficulties they are encountering in recovering outstanding monies.

The disclosure was in stark contrast to a report which appeared in the GUYANA CHRONICLE of November 11, 1984 under the bold headline "Satisfactory Results From Gaibank's Recovery System".

The Gaibank officials met the Council on November 7, 1984 and the erroneous report appeared 4 days later on November 11. The officials had told the Council members about "poor recovery" being encountered. MIRROR's correspondent on the West Demerara reporting on this matter noted:

"Officials of both Gaibank and the Food Crop Programme while addressing the Regional Democratic Council explained the difficulties in recovering loans. Over the period, Gaibank released \$12.4 million in loans but has recovered only \$2 million. According to the dialogue which ensued, both agencies were affected by shortages of skilled personnel. However due to political pressures, loans were released in a manner considered not very conducive to effective recovery before the bank was fully ready to get involved. It is understood that at present some of the farmers cannot even be traced."

PPP member Pariag Sukhai associated the dismal failure with the absence of an effective coordinated plan involving the various agencies. He called for a democratic approach to the question of involving genuine farmers in loan programmes. In this way he argued, loan repayments could be guaranteed.

The bank officials told the Councillors that arrangements have been made to recycle the \$2 million recovered so far. This sum is earmarked largely for coconut rehabilitation, food crops such as carambola and cocoa, storage facilities, and drainage and irrigation projects.

Observing that the sum being referred to is too small for such a wide application, PPP member Jewnandan pointed out that drainage and irrigation projects are the responsibility of the central government...not small farmers.



According to the CHRONICLE story, Gaibank general manager John Butters is reported to have said: "I am extremely satisfied with what we have been able to achieve so far." He explained that during the first quarter of the year "some \$8.6 million had been disbursed to 632 applicants."

"Because an effective loans recovery system was not put in place, arrears had mounted significantly enough to be a source of concern to the development institution. With the re-organisation of the legal department and the establishment of a special unit to handle arrears, the bank has been able to accelerate its collection drive."

From what the officials of Gaibank told the Regional Democratic Councillors however, only 16.1% has apparently been recovered. A big recovery drive is therefore afoot.

CSO: 3298/251



## REGISTRATION BEGINS PREPARATORY TO ISSUANCE OF ID CARDS

### Gazette Announcement

Georgetown GUYANA CHRONICLE in English 21 Nov 84 p 1

[Article by Colin King]

[Text] National registration will begin throughout the country on December 3, under an order made by Home Affairs Minister Jeffrey Thomas.

The order, published in the Official Gazette of November 17, also provides for registration of non-residents, beginning January 2, 1985.

Commissioner of National Registration, Cde. Roy Hammond, yesterday said some 900 Divisional Registrars will move house-to-house in all Regions of the country from December 3 to complete the registration of residents. All persons who will be 14 years and over at December 31, 1985, will be registered.

Cde. Hammond urged that persons who have been registered previously report this to the Registrars who visit their homes.

The National Registration Office will subsequently issue National Identification Cards to persons whose cards need alteration because of changes in particulars since their original registration, and to persons who have never before been registered.

As far as possible, the old cards will be utilised to effect the new registration.

Registration of citizens resident in Guyana will run from December 3, until February 28, 1985. Registration of non-residents will be conducted through established offices abroad, such as the country's consulates.

The Commissioner reported that the Registration Office expects to begin issuing new Identification Cards in March, 1985.

Cde. Hammond explained that the last National Registration was conducted in 1979, meaning that some persons 19-years-old are without the use of National Identification Cards at present.



The I. D. card, he said, is important for conducting day-to-day business and people should seize the opportunity to be registered.

Non-registration could result in "embarrassment and hardship", he noted.  
(GNA)

#### WPA Reaction

Georgetown DAYCLEAN in English 24 Nov 84 p 1

[Text] Under the National Registration Act, an Act intended to provide for the issue of ID cards and for purposes connected therewith, national registration will begin on December 3 and end of February 28, 1985. Overseas registration will take place between January 2 and February 28, 1985.

Stage one of the election rigging machinery is being set in place.

Although the National Registration Act is an ID card law, it has sections for illegal voter registration controlled by a PNC Minister. Under Section 14, the day after February 28, 1985, Mr Jeffrey Thomas can order Commissioner Hammond of National Registration to make a voters' list. This list can take one day to make.

In one day they can make up a voters' list. But it takes them years just to announce the results of the 1980 Census. Up to today the people of the Cooperative Republic of Guyana have not been told the population figures established by the 1980 Census.

This Act is a trap and this failure to release the 1980 Census smells funnier each year.

Under the Act you must register to get an ID card. If you have never had one, or if you have lost it, or if you will be 14 years old by December 1985 you are called to register for an ID card. People who are already registered have to fill in an application form.

The Constitution does not allow for compulsory voter registration but that is what we have. If your religion says don't vote you will still be on the voters' list. December 1985 was chosen as the qualifying date but in fact elections will be held before June 30, 1985.

WPA's advice: Register for your ID card. Join the struggle for a fair and just voter registration and a fair and free election.

CSO: 3298/251



# JAGAN STRESSES UNITY, REVIEWS UNIONISM-POLITICS LINK

## Call for Government Action

Georgetown MIRROR in English 25 Nov 84 p 4

[Text] Leader of the People's Progressive Party has thrown out a challenge to the government to take a firm anti-imperialist stand, to cut debt and compensation payments and use the money to find a solution to the pressing problems of the people of Guyana.

He urged the ruling party to 'put some steel in your backbone' and make the decisive political decision to take a revolutionary course that could bring about anti-imperialist unity.

Dr. Cheddi Jagan was at the time speaking in the National Assembly last Thursday on the supplementary provisions of \$100 million to meet the cost of the recently announced retro-active payment of increased wages and salaries for public sector employees for 1984.

Dr. Jagan insisted that pleas for unity in the country to find a solution to the teeming problems cannot come about by mere talks. 'Action will bring unity', he declared, but first the People's National Congress must make up its mind to take measures in the interest of the working class and not to penalise them. There is the urgent need to raise the morale of the people and motivate them. Dr. Jagan assured the people of Guyana that should the government take a revolutionary course, they would have the backing of his party.

Dr. Jagan said that the present wage structure is 'inadequate to meet the requirements of the situation...and the needs of the people.' The new \$15.10 per day minimum is totally inadequate, he declared. He outlined policies whereby the revenues needed to meet a decent minimum wage can be mobilised, which included the trimming of the bureaucracy and dealing with the 'debt bomb' problem faced by many Latin American nations. He pointed to the actions of the working people of Bolivia which forced the government to reschedule debt payments, increase wages and involve the people in running the affairs of the country. Dr. Jagan said the situation in the country is favourable to take a consistent anti-imperialist stand.



The PPP leader also called on the government to acknowledge the fact that previous policies, including the massive borrowings from overseas have come to naught. This cannot work any more. 'You cannot keep telling the workers there is no money,' he declared.

### Trade Union Ideology

Georgetown MIRROR in English 25 Nov 84 pp 2-3

[Cheddi Jagan column "Straight Talk": "Trade Unionism and Politics"]

[Excerpts] Recently, the relationship of trade unionism to politics came to the forefront. Both the President and the Senior Vice-President of the Guyana Labour Union berated trade unionists who want to have nothing to do with politics.

Basically, they were correct. The two issues are interlinked. As Hubert N. Critchlow pointed out: "politics is with you from the cradle to the grave".

The more important question, however, is: What kind of politics? And politics tied to what ideology? It is necessary to have not just a political, but also an ideological outlook. Otherwise, the workers will be confused, sidetracked and betrayed.

### No Separation

The trade unions will serve the workers only when the latter begin to think of themselves not as individuals fighting separate employers, but as a class--the working class fighting the capitalist class--and when they arm themselves with working class ideology--Marxism-Leninism.

We know that at the time of the PPP government (1957-64) the TUC was under the political influence of American imperialism, the CIA and the AIFLD. They taught through Labour Institutes and Colleges like the Critchlow Labour College separation of trade unionism from politics--the politics of anti-colonialism, anti-neocolonialism, anti-capitalism/imperialism. They did not, however, preclude the politics of anti-communism.

### Ideology

GLU President-General Forbes Burnham said that those trade unionists who separate trade unionism from politics are against the ideals of Hubert Nathaniel Critchlow, and against the ideology and objective of socialism.

Here another question arises. When reference is made to the ideology of socialism which variety is one referring to--democratic socialism of the British Labour Party, Israeli Labour Party or Tom Adams' Barbados Labour Party; national socialism of Hitler; democratic socialism of Mitterand; Arab socialism of Egypt's Arab Socialist Union; African socialism of Senghor's Senegal; co-operative socialism of the People's National Congress; scientific socialism of the PPP, and the communist and workers' parties of the Soviet Union and other states of existing socialism?



## Scientific Socialism

So long as the trade unionists and the TUC were willing to swallow "co-operative socialism" and support the PNC at every general election since independence in 1966, they were revolutionary and responsible. But as soon as they began to see 'co-operative socialism' as nothing more than bureaucratic-safe, co-operative and parasitic capitalism, they are deemed charlatans and irresponsible!

Neither PNC's brand of capitalism nor Reagan's brand for Guyana--free enterprise, dependent/distorted peripheral capitalism--can save the Guyanese working people. The Trade Unionists must embrace the ideology (Marxism-Leninism) of the working class, and become politically involved in the struggles now for a socialist-oriented course towards a genuinely scientific socialist society.

## Extent of Operation

Georgetown SUNDAY CHRONICLE in English 18 Nov 84 p 1

[Text] The Police and Customs Departments have so far seized "a few million dollars" worth of uncustomed and prohibited goods in a joint operation launched two Thursday ago.

Deputy Commissioner of Police Cecil "Skip" Roberts told journalists Friday that the operation had so far netted vast quantities of cosmetics, tons (thousands of bolts) of cloth, more than 10 000 pairs of shoes, a wide assortment of gents' and ladies' clothing, 9 000 light bulbs and hundreds of thousands of dollars in parts for motor vehicles.

"Twelve truck loads of goods were routed to the Customs Bonds today (Friday)," Cde Roberts who is also the Crime Chief, reported.

The joint operation, he explained, is intended to clamp down on businessmen who are involved in illicit trading on a grand scale.

"The exercise is really concentrated at the sources--the big ones--who have managed to bring into the country large quantities of goods without paying customs duties," the Crime Chief explained.

There is, he noted, a lot of uncustomed and prohibited goods "floating around this country with no indication as to how they got here".

The Police believe that many big businessmen work in collaboration with small vendors. And, according to the Police reports, many of these small vendors were also trapped in the Police-Customs dragnet.

Responding to allegations that there was indiscriminate seizing of goods, Cde Roberts told the Press that at each raid the proprietor is requested to produce customs slips for the items in his possession. Should he fail to do so, or to offer satisfactory explanations, the items are seized and taken to the Customs Bond in Kingston.



Proprietors, he added, are allowed to accompany their goods to the warehouse where the seized items are listed and attested to by the owners, Policemen and Customs officers involved in the operation.

Proprietors also have the opportunity to reclaim their goods upon production of duty slips to the comptroller of customs.

Policemen from "A" Division and Detectives from the Criminal Investigation Department were used in the joint operation. And, on each exercise, the Police Officer-in-Charge was not below the rank of Inspector. Similarly, senior Customs officers were detailed for the operation.

"It is intended to be a continuing operation," the Crime Chief said, adding that there will be greater mobilisation of forces at all ports.

He pointed out that the current level of uncustomed goods in the country has resulted from the many methods employed by businessmen to beat Customs controls.

Cde Roberts stressed that persons coming into the country for the Christmas season need not be worried about the current joint operation as long as the articles they bring are not in "commercial" quantities.

#### Economic Impact of Smuggling

Georgetown SUNDAY CHRONICLE in English 18 Nov 84 p 1

[Text] The Ministry of Finance yesterday explained that the current joint customs and police operation against persons in possession of uncustomed goods is being undertaken after nine months of intensive investigations during which the main suppliers of uncustomed goods were identified.

In a statement issued yesterday, the Ministry said that an estimated minimum of one million dollars worth of commodities is being smuggled out of the country each week to finance the illegal imports of goods.

And, noting the negative effect "the rapid expansion of these activities" has had on the national economy, the Ministry stressed that "prompt steps to terminate the activities of persons identified to be involved in such trading were, therefore, necessary."

The Ministry's Statement reads:

"The Customs and Excise Department assisted by the Guyana Police Force has, after nine (9) months of intensive investigation, succeeded in identifying the main suppliers of uncustomed goods--including banned items--to the local market.

"The importation of these goods has, to a significant extent, been financed by the earnings obtained from illegal activities such as the smuggling of exportable commodities (gold, prawns, rice, sugar to name a few).

"It is estimated that the value of commodities smuggled amount to at least one million dollars per week. The goods purchased, using the export proceeds from such illegal activities, have been sold to the public at extremely high prices.



"The siphoning off of increasing amounts of foreign exchange as a result of the rapid expansion of these activities has continued to hamper the government's efforts to provide the consumer with adequate supplies of essential items at reasonable prices.

"Prompt steps to terminate the activities of persons identified to be involved in such trading were therefore necessary.

"Arising out of these exercises in locating the suppliers of uncustomed goods, the Police and Customs authorities have been carrying out searches of various business premises and confiscating a variety of goods for which the owners have been unable to supply evidence or proof of legal importation.

"These confiscated goods will be sold to the public from established government outlets at reasonable prices." (GNA)

### Government 'Arbitrariness'

Georgetown CATHOLIC STANDARD in English 18 Nov 84 p 2

#### [Editorial]

[Text] TWO YEARS ago in an editorial headed 'Causing Confusion', we deplored government's lack of policy with regard to the parallel-market.

Rev. Dale Bisnauth commented at the time that government was practising 'Ad Hoccracy' - a policy of having no policy.

The police had caused great consternation by suddenly swooping down on vendors in the city markets and in selected country areas, confiscating their goods and dragging many before the courts.

It was not as if the parallel market had suddenly sprung up. For many years it had been allowed to grow, following the restrictions imposed on the importation of many items, especially basic food and drugs.

What seemed most inconsistent and hypocritical was that while raids were being carried out and imported goods were being seized, officials were giving every encouragement to the growth of the 'suitcase economy'.

Corporation officials were travelling to Brazil with suitcases stacked with Guyana dollars to buy food and spare parts.

Guyana Airways was accommodating hucksters by laying on two flights a week to Boa Vista and special lanes were being provided at Timehri for traders returning from the Caribbean and the USA, laden with huge suitcases, boxes and barrels.

In spite of frequent raids, fines, confiscations and even imprisonment, the parallel market continued to expand.

Goods today still pour in from Brazil, paid for in Guyana dollars, and these dollars are still being used by the Brazilians, with the knowledge of the government, to buy gold in Guyana, when the law states that all gold must be sold to the Gold Board.

Government corporations still buy from hucksters, as was admitted on a radio programme not long ago by the Manager of a Corporation.

This Corporation is also known to buy some of the seized goods. Our efforts to discover what happens to the rest of the seized articles have been unsuccessful.



A letter to the Comptroller of Customs last June asking, among other things, whether they were offered for sale to private individuals, has not even been acknowledged.

The Comptroller nevertheless gave an interview to a Chronicle reporter which was published last Sunday, in which he spoke of efforts to curb smuggling.

These efforts, he is reported to have said, include the seizing of vehicles and goods without recourse to the courts, where "there is evidence" that the vehicle was engaged in smuggling goods.

The report, however, failed to state what happens to the seized goods or to give any indication of government's policy with regard to the parallel market, which,

by its double standards, it has allowed to develop.

The massive raids carried out in many parts of the country during the past week in the markets and shops and on the pavements have once again caused great consternation.

These efforts of the authorities will be of no avail unless it takes steps to remove the conditions that gave rise to the parallel market.

As long as there are shortages of basic necessities, the people will continue to find ways of bringing them into the country.

We call on the government to stop governing by arbitrary decree and to formulate a consistent policy with regard to the huckster trade, acceptable to the Guyanese people.

#### PPP Stand

Georgetown MIRROR in English 2 Dec 84 p 4

[Text] The police-customs campaign against smuggled goods continues but with a greatly reduced profile in Demerara. Reports from Berbice say that raids are taking place in New Amsterdam and on the Corentyne. Shops, homes and market stalls are being raided and articles seized. The municipal market at Port Mourant was among the places raided.

On Tuesday November 20, 1984 the police had seized a lorry laden with \$300,000 worth of articles deemed or suspected to be "uncustomed goods". This story appeared in the CHRONICLE (front page) on Thursday November 22, the same day the Parliamentary debate on "indiscriminatory police seizures" took place, and was referred to by government spokesmen to justify the police campaign.

According to the CHRONICLE: "Among the items seized were 369 cases of tiles, 24 stainless steel sinks, and 50 rolls of vinolay. Most of the items seized are prohibited goods. The driver was allegedly contracted by a big business firm to transport the items."

Reports from New Amsterdam say that the goods in the truck belong to a big state entity. The driver is understood to have told the police that he was hired to bring the goods from Corentyne for the government firm. A top official of the firm went to the New Amsterdam station and claimed the goods.

Crime Chief Roberts when asked to comment on this report admitted that some of the articles in the truck "had duty slips" and thus could not be considered "contraband".



This was the same point made by the PPP in Parliament during the debate. The PPP argued that many of those vendors and businessmen whose goods were seized had the necessary duty slips and receipts and thus their goods should be returned to them. The government's spokesmen disagreed with this view. One spokesman in particular accused the hucksters of "re-cycling duty slips".

The PPP also disclosed in the debate that many small traders sell goods to state entities, and that many hucksters had bought goods from state entities, and small traders. These were all seized indiscriminately in the swoops, which is why the PPP took up the issue on behalf of the hucksters and small traders.

It is also noted that because of the indiscriminate crackdown, Guyana Airways and other airlines are taking a beating where passengers are concerned. Only a handful of passengers now travel in the planes, where previously outgoing and incoming places were packed solid with scores of traders and suitcases were often left behind at various airports mainly in Trinidad.

The PPP told the government in Parliament that the only way in which the parallel market could be dismantled is by government importing the essential goods consumers need...foodstuffs, spare parts etc.

CSO: 3298/250



PNC ORGAN HAILS BURNHAP HELP FOR LABOR MOVEMENT

Georgetown NEW NATION in English 18 Nov 84 p 4

[Editorial: "Saving Our People from the Enemy"]

[Text] Leader of the People's National Congress, Cde Forbes Burnham, in his capacity as President-General of the Guyana Labour Union, has used his state authority to provide economic relief to the workers of this nation in the face of foot-dragging and exorbitant demands by the TUC.

Since then, Guyanese from all walks of life have responded favourably to the intervention by the Comrade Leader. In May, the Comrade Leader had announced wage and salary adjustments for a people whom he recognised as hard-pressed. Comrade Leader also promised that the ensuing payout would be retroactive to January 1, 1984.

There were those in the opposition who charged that the Comrade Leader would not have honoured his promise to the workers of Guyana; the people who have, so far, helped this nation survive and are in the process of helping this nation prosper.

And as if to prevent the Comrade Leader from keeping this promise, the opposition forces sought to infiltrate the key positions in the TUC so that they could demand fantastic wage and salary increases, ostensibly for the benefit of the workers, but in reality for the purpose of bringing down the PNC Government.

These elements knew that the payment of exorbitant wages would tax the public treasury to the point of national bankruptcy. They also knew their demands, if met, would lead to massive retrenchment and consequently, civil unrest.

It is these opposition elements that contend that Guyana needs a thriving parallel market, regardless of its influence on the pockets of the very workers who need a rise in pay. It is also these opposition elements who seek audiences with the authorities on behalf of the persons managing the parallel economy.

So it is to be a cycle. Call for more pay and so feed the parallel market.

Unless people have very short memories, they would remember that as soon as they benefit from some measure of economic relief there were those who immediately raised the prices of their goods and services. In the process, the greedy capitalist-minded saboteurs in our midst more often than not relegated the worker to a position worse than that before the wage increase.



Guyana, on the road to Socialist development, needs a trade union movement that would work for the development of the worker and the nation as Central Committee member of the PNC and Prime Minister, Cde Desmond Hoyte, told the recently-concluded 16th biennial conference of the Guyana Labour Union.

The days should be long past when the trade union movement operated in opposition to the government, especially at this time when there are those who, by their own admission, would subvert any country that does not embrace a capitalist path of development.

The People's National Congress is a Party that has come out of the working-class, and, as a result, it recognises the interest of the working-class. Promises made to the workers are always fulfilled.

The promise of interim relief will be fulfilled in spite of the machinations of the opposition. And to further protect the working-class, the government is removing obstacles to the worker enjoying a real wage. These obstacles are the exploiters who comprise the parallel market.

Already many people have come out in support of the actions of the government.

Government has taken steps to protect the worker. It is for the worker to take steps to protect himself and the national economy.

CSO: 3298/249



# DEFENSE FORCE EXERCISES HELD; BURNHAM GIVES ADDRESS

Georgetown GUYANA CHRONICLE in English 26 Nov 84 p 1

## Report on Exercise

[Text]

THE GUYANA Defence Force, with other units of the Joint Services, is now engaged in its annual security exercise, a release from the GDF Headquarters announced last week.

The exercise is the major feature of the People's Army training programme and will take place this year in areas within the Mahaicony-Abara district of Region Five.

The exercise gets into full swing today and ends December 1, Militia Day, with a mammoth parade through the District in which the salute will be taken by a senior member of the Regional Administration.

"The military authorities, convinced that the civilian community can make a vital

contribution to the exercise, have included in the programme aspects within which members of the public ... can play an important role," the release said.

The general public is advised not to become alarmed during the military exercises.

It is expected to involve movement of troops both on foot and by vehicles and the transportation of heavy equipment. (GNA).

## Burnham Speech

Georgetown GUYANA CHRONICLE in English 2 Dec 84 p 9

[Text]

PRESIDENT Forbes Burnham yesterday lauded the integration of the country's Armed Forces and contended that the Guyana People's Militia is one of the more vital components of Guyana's defence arrangement.

He was speaking at Mahaicony at a function to mark Militia Day '84 — the eighth anniversary of the founding of the Guyana People's Militia.

He had earlier taken the salute at a March Past by members of the Armed Forces who yesterday completed a 10-day military field exercise — Exercise Homeland — carried out in the Mahaicony Area.

He noted that in recent military exercises, members of the GPM as well as members of the Guyana National Service (GNS) played very significant roles manning

some of the heavier and more sophisticated pieces of equipment and also serving as members of the Army's parachute regiment.

"All this leads to the obvious conclusion that the Forces are integrated and I

take it that this integration of skills really springs from an integration or identity of objective and commitment," he told the large gathering of



civilians and members of the Armed Forces.

The members of all three branches of the Armed Forces — the GDF, the GPM and the GNS — he noted, are committed to defending Guyana now under threat from outside forces. "We are under arms as representatives of our nation which is under threat," he added.

He referred to the US invasion of Grenada in October 1983 and noted that many persons had dismissed the warnings of Maurice Bishop that he and his country were under threat.

"Many thought his (Maurice Bishop's) interpretation was wrong... but lo and behold it happened and today the popular government of Grenada is out of office and a foreign army is occupying that country with the connivance and assistance of other West Indians..." he reminded his audience as he stressed the importance of all Guyanese being vigilant and being prepared.

Referring to the Guyana-Venezuela territorial controversy, he noted that relations between the two countries are good at the moment and that Guyana hopes that "within the immediately ensuing period, by way of dialogue and discussion", Guyana and Venezuela will be able to arrive at a mutually acceptable result.

And, dealing specifically with the GPM, he contended that this branch of the Armed Forces was "one of the more vital components of our defence arrangement".

The GPM, he said, not only symbolises the involvement of the ordinary non-military citizen in the defence of our country, but is an "instrument by means of which we can sensitise and mobilise the rest

of the population."

He stressed that the GPM's task of helping with the sensitising and mobilising of the population was very important for the enemy will have its representatives and stooges actively at work in our communities.

He said one of the significant achievements of the 20 years of the ruling People's National Congress Government has been the establishment of the Armed Forces which are there not merely for parades but for active involvement in the exercise of development and which are dedicated to the maintenance and retention of benefits we have won over the years.

And, noting that the branches of the Armed Forces provide jobs for tough people with commitment, Cde Burnham said he was of the conviction that Guyana has a fine band of young people to stand in the forefront of the struggle. [GNA]



POLICE OFFICIAL SAYS BAN ON WPA WAS FOR SECURITY REASONS

Georgetown GUYANA CHRONICLE in English 22 Nov 84 p 3

[Text]

COMMISSIONER of Police Lloyd Barker yesterday told High Court Judge, Rudolph Harper that the Working People's Alliance [WPA] was refused permission to hold processions and to operate a loud speaker at meetings for security reasons and fear that such would have led to a serious break down of law and order.

The Commissioner was giving evidence in a case in which WPA member Dianne Matthews is seeking Court declarations against the Commissioner, the Minister of Home Affairs and the Attorney-General, that the refusal to grant her premissions to hold meetings and processions at Linden, Skeldon and other places, was a contravention of her rights under the Common Law as provided for and guaranteed by the Constitution of Guyana.

In answer to Counsel for the applicant as to what prompted him to refuse permission, the Commissioner said from his experience and knowledge of the WPA, he would say that that Party has an academic and operational capability to disrupt the security and tranquility of a community like Linden and Kara Kara.

Asked to explain what he meant by having the capability, the Commissioner explained: "When I say capability I mean the type of conduct which both from speech and action together with the ability could enthuse

people to commit a serious break down of law and order in the mining district."

Questioned about whether he had any evidence to adduce the Commissioner said. "I can recollect but I cannot remember locations and time."

The hearing continues on Tuesday next when the Commissioner will be further cross-examined.



# NATION TO HOST MEETING OF CARIBBEAN YOUTH IN AUGUST

Georgetown GUYANA CHRONICLE in English 19 Nov 84 p 1

[Text]

**GUYANA** is to host a total of 54 youths from Caribbean islands next August as part of an international exchange programme, being organised for International Youth Year (IYY).

The youths will come here on a 17-day visit from August 4 and are expected to be involved in debates and discussions on such topics as "Drug Abuse", "Teen parenthood" and "Unemployment".

The young people who will be selected from St Vincent, Barbados, Grenada and Trinidad and Tobago will also be expected to complete a project or a phase of a project.

Three other countries Anguilla, Belize and Saint Lucia are to be involved in similar exchange programmes and Saint Lucia is expected to host 15 youths from Guyana.

Meanwhile, most of the Regions have begun to make plans to focus on next year's theme — "Participation, Development and Peace," — and Regions Two, Six, Nine and 10 have already submitted their programmes to

the Department of Youth and Sport.

The consensus is that the year will be launched with religious observances throughout the country. A co-ordinating committee making plans for IYY, is to contact religious bodies to merge activities.

Plans for other activities include a National Youth Camp to be held at Camp Madewini, where youths will discuss a number of topics, including: "The impact of agriculture in the world", "Choosing a Career" and "Education opportunities."

As part of the central programme for involving youths in politics, symposia, national debating competitions, a National Youth Convention, school lectures and a National Day of Community Services will be held.

International Youth Day on September 30 will be highlighted with the staging of a Peace March throughout the Regions, culminating in a Youth Rally. Youths are expected to demonstrate and to air their views on peace and disarmament.



# SURINAME ANNIVERSARY ELICITS PRAISE FOR FRIENDLY TIES

## Burnham Message

Georgetown SUNDAY CHRONICLE in English 25 Nov 84 pp 1, 9

[Text]

**PRESIDENT Forbes Burnham** has noted the close co-operation between Guyana and Suriname at the regional and international levels and has expressed the hope that the friendly relations between the two countries will continue to flourish.

His views were expressed in separate National Day messages to Suriname's Acting President L.F. Ramdat-Misler and to leader of the Suriname Revolution, Lt Colonel Desi Bouterse.

Suriname obtained political independence from the Netherlands nine years ago on November 25, 1975. Diplomatic relations with Guyana were established on the same day.

Cde Burnham's message on behalf of the government and people of Guyana, to Suriname's Acting President reads, in part:

Guyana and Suriname have worked together so that the mutuality of interests, bred by our shared historical and cultural development could be transmuted into active and mutually beneficial programmes of co-operation.

"We have also collaborated closely at the regional and international levels to promote the peace, security and progress of all nations.

"I am confident that we will continue to foster such collaboration and thus enhance the warmth and friendship between our two countries and peoples."

And, in his message extending "fraternal greetings" to leader of the Surinamese

Revolution and Chairman of the 25th of February Movement, Lt. Colonel Desi Bouterse, Cde Burnham said.

"It is my hope that the friendly relations which exist between our two

countries and peoples will continue to flourish to our mutual benefit in the years ahead."

He added: "Please accept my best wishes for your good health and for the prosperity of the people of the Republic of Suriname".



## Leader Meetings

Georgetown SUNDAY CHRONICLE in English 2 Dec 84 p 6

[Article by Kamini Persaud]

[Text] Suriname, Guyana's neighbour to the east, celebrated its ninth anniversary of political independence from The Netherlands one week ago, on November 25. On Friday, Suriname's Ambassador to Guyana Dr John Kolader spoke with the Guyana News Agency about current relations between Guyana and Suriname.

It is Dr Kolader's view that in recent times Guyana-Suriname relations seem to be "heading in a good direction," with both peoples "Beginning to understand each other better."

The "political highlight" of these "steadily growing" relations he said, has been the recent discussions between President Forbes Burnham and Leader of the Suriname Revolution Lt. Colonel Desi Bouterse.

The two leaders met for about 90 minutes in July at the Timehri International Airport, when Lt. Colonel Bouterse made a technical stopover en route to Nicaragua for the fifth anniversary celebrations of the victory of the Sandinista Revolution.

And, earlier this month Prime Minister Desmond Hoyte and the Surinamese leader also discussed "several matters" when they travelled together to New Delhi for the funeral of assassinated Indian Prime Minister Indira Gandhi, Kolader said.

Out of these talks has come a commitment to work towards better trade relations, technical co-operation and cultural exchanges such as the recent visit to Guyana of Suriname's Maranatha Choir.

Kolader said Surinamese delegations will visit Guyana shortly to discuss technical exchanges between the universities of Guyana and Suriname, and co-operation in agriculture research.

He said Suriname hopes to "speedup" decisions on the proposed ferry service between the two countries and he expects a Guyanese team to visit Suriname shortly for discussion on the proposed project.

Meanwhile, the two governments are said to be studying ways in which they could co-operate in curbing brisk illicit trade across the Corentyne River. The smuggling activities have harmful effects on both countries.

Both governments, he added, are "intent" on improving relations between the two republics and give "full support" to the efforts of their respective embassies in this direction. Kolader, however, stressed that relations between the two countries are "not yet what they should be."

He cited the lack of knowledge of both peoples of each other's country and culture, as well as the "ideas" some people still have about the territorial controversy between Guyana and Suriname, as two of the main impediments in the way of even closer relations.



But, he explained that the Suriname government does not feel that the territorial controversy need "hamper" relations between Guyana and Suriname. "I think problems are meant to be solved...we may have some small problems but I think these problems can be surmounted," he said.

"There is a lot of bad news about Guyana, a lot of bad news about Suriname in the world. And to avoid bad ideas and negative attitudes towards each other we have to work close together and support each other in nationbuilding," the Surinamese envoy added. (GNA)

CSO: 3298/246



## DEVELOPMENT NEEDS, NOT IDEOLOGY, DRIVES FOREIGN POLICY

Georgetown SUNDAY CHRONICLE in English 18 Nov 84 p 5

[Article by Ronald Bostwick: "Practical Trends of Guyana's Co-Operative Socialism"]

[Text] **MANY** Third World nations which were former colonial possessions of some West European power now find themselves in a neo-colonial state in 1984. To some extent this state of affairs is really the inevitable consequence of colonialism — the system under which each colony was actually one big plantation producing one crop for export to its mother country in Europe — which necessitated that the colony depend almost completely on Europe for its food needs.

Some of these ex-colonies maintain trade relations with Europe that have altered little since colonial times, while the economically vibrant United States has secured the position of dominant trading partner to most of these underdeveloped nations. On the other hand there are newly independent countries which have substituted economic dependence on the West for a new dependence on the Eastern bloc.

Only economists and other academics show much interest in statistics. Political scientists and politicians are the only ones really interested in questions of ideology that go beyond the practical necessities of daily life.

The man-in-the-street is unperturbed by the statistical

fact that 15 per cent of the population of the United States — or 34 million Americans — live in poverty. If already living in poverty in his own homeland and presented with the opportunity to immigrate to the United States, the average Third World man will move without hesitation even if aware of the statistics relating to poverty in the United States.

Again, so long as his occupation enables him to feed, clothe and house his family, the average man is unmoved by the relentless debate between doctrinaire Marxism/ Leninism and the defenders of the virtues of so-called free enterprise. Most important to Cde. or Mr. "Ordinary" are what have become known universally as the issues of bread and butter.

**Marxism/ Leninism** which is about removing socio-economic control from the hands of the privileged few and into the hands of true representatives of the people for the benefit of the people, holds a natural appeal to the under privileged masses.

Consequently, anti-government movements today tend to be leftist movements even though invariably, all the people consciously desire is the opportunity to enjoy a

better life after removing those who are "getting-in" on the little available while the down-trodden majority suffer increasingly.

Whether or not the Soviets and their allies are motivated by hegemonic aspirations, the fact is that they exhibit an understanding of the real problem of the Third World — that of under-development. Conversely, the United States apparently motivated primarily by her perception of the East-West rivalry and her need to maintain markets for her manufactures, unreservedly supports unpopular right-wing dictatorships that ignore democratic processes and routinely violate the human rights of their citizens.

Having resolved to give another method of socio-economic organisation a try after sitting at the exploited end of the Western Capitalist System for too long, Third

World governments must be careful not to lose track of national priorities and in so doing succumb to the influence of pure ideology carried to its extreme.

The Co-operative Socialist Republic of Guyana has consistently adopted an admirable position insofar as Marxist/ Leninist ideology is not followed blindly at the expense of nationalist goals.



Most recently evidence of this is the coming to our country of four foreign-owned mining companies which will

significantly boost our gold production. One of them, Parapanema of Brazil, which will operate at Tassiwiní in the North West District, will be the first to use power alcohol in Guyana's gold industry.

Many local conservatives must surely be observing keenly and wondering whether they see signs of an imminent 'about-turn' in the direction of our government's foreign policy. Ultra-leftist Marxist/Leninist ideologues of the Bernard Coard mould would also be observing keenly. Both factions however, would be getting all excited for the wrong reasons; for while these latest agreements do not herald a turnabout of policy, they promise gains to the country worth many millions of much-needed dollars per year.

The opportunity to effectively exploit our resources in gold deposits must surely stir feelings of excitement in the hearts of many Guyanese. Employment opportunities for hundreds of Guyanese are near at hand. Additionally, there will be training opportunities for many with the aptitude to assimilate certain skills for it is projected that Guyanese will inevitably take over the sophisticated operations — after the investors are allowed enough time to gain reasonable profits.

Meanwhile, Guyanese must ensure that we acquire the managerial and technical skills necessary for the daily running and maintenance of the modern mining operations soon to be introduced — involving methods of underground mining which will vastly improve on the 30 per

cent inefficiency of the fuel guzzling dredge and the tedium of the 100-year old pork-knocker style surface mining.

Colonialism and all its modern variations have no legitimate place in a world that rejects the odious principle of the exploitation of man by man. Except for the disreputable regime that governs the people of

Southern Africa, no government would openly endorse and justify this working-principle of a past era. Foreign investment need not be anathema!

Underground gold mining in our Co-operative Republic will not be conducted as it is in apartheid South Africa!

Foreign investment can indeed be a blessing to any developing nation — including our Green Land of Guyana — but we must be careful to insist on the training of Guyanese in all aspects of the operations at Marundi, Tassawini, Baramita, Arakaka, Peter's Mine, Putareng and Konawaruk.

Guyana needs to boost her development programme, so though unapologetically Socialist in our orientation, Guyanese are friends to all our friends and will enter into genuine partnerships with any of them.



RALLY HAILS LESSONS OF SOVIET REVOLUTION, DEVELOPMENT

Georgetown GUYANA CHRONICLE in English 19 Nov 84 pp 4-5

[Text] New Amsterdam, Berbice, (GNA)--Developments in the Soviet Union provide lessons for Guyanese in the achievement and defence of the revolution, Forestry Minister Sallahuddin said Friday.

The Great October Revolution in the Soviet Union is a glorious revolution for the world, he told participants at a rally at the New Amsterdam Town Hall to mark the 67th anniversary of the Socialist Revolution.

Also participating in the rally were Soviet Trade Counsellor in Guyana, Cde. V. Klochkov, and Senior Vice-President of the Guyana Committee for Solidarity and Peace, Cde. Basdeo Bhaggan.

Minister Sallahuddin called for unity among all peace-and-freedom loving people in consolidating against imperialism.

Soviet Counsellor, Cde. Klochkov asserted the Soviet Union's solidarity with the people of Guyana against imperialism and for the strengthening of national sovereignty.

Speaking of the achievements of the Soviet Union in the last 67 years, the counsellor said the socialist revolution is an epoch in itself for the Soviet Union.

He said history has never been such rapid progress from backwardness, misery and ruin, to a mighty, modern great power with high levels of production, culture and standards of living, as in the USSR.

The rally was sponsored by the Guyana Committee for Solidarity and Peace (GCSP) in conjunction with the Guyana-USSR Committee for Solidarity and Friendship.

In his remarks to the rally, GCSP Senior Vice-President Basdeo Bhaggan urged that the friendship and co-operation between the peoples of Guyana and the USSR be strengthened and developed for the benefit of the two countries.



JAGAN ANSWERS QUESTIONS ON POLICY TOWARD CUBA

Georgetown CATHOLIC STANDARD in English 25 Nov 84 p 4

[Text] During the 5-day visit of the Cuban Foreign Minister to Guyana, the CATHOLIC STANDARD sought an interview with Dr. Cheddi Jagan to ask his views on the visit and was told to put the questions in writing.

They were submitted on Nov. 12 and 13 and Dr. Jagan replied on Nov. 19. The questions and answers are as follows:

Q: The PPP in last Sunday's MIRROR expressed the hope that the Cuban Foreign Minister's visit to Guyana "will be fruitful and will further consolidate relations between the two countries".

Yet you, yourself, in a recent letter to the CATHOLIC STANDARD stated that the PNC did not fulfil the essential conditions for a coalition with the PPP.

You claimed that what existed in Guyana today under the PNC was "bureaucratic-state, co-operative and parasitic capitalism" and that the PNC at all levels did not practise democracy.

If that is so, how can your party want Cuba's Marxist-Leninist party to have stronger ties with the PNC as it is today?

A: The question shifts from state-to-state to party-to-party relations.

The PPP has always been in favour of, and worked for, state-to-state relations with Cuba and other socialist countries on the basis of the Marxist principle of peaceful co-existence; namely, relations of friendship and co-operation regardless of differences in socio-economic systems.

We are glad to see that unlike the periods 1964-1973 and 1978-82, relations between Guyana and Cuba have improved during the past two years to their material advantage.

According to the DAILY CHRONICLE (Nov. 12), Cuban Foreign Minister Isidoro Malmierca renewed Cuba's "full support" for Guyana's right to have its territorial integrity respected and to pursue its own social, political and economic development".



On its part, the Guyana government expressed solidarity with the Cuban revolution and called for the unconditional withdrawal of the U. S. Naval Base at Guantanamo.

So far as party-to-party relations between the Communist Party of Cuba (CPC) and the PNC, that is strictly a matter for the Cuban Party.

Q: You did say in a recent interview with the CATHOLIC STANDARD that the PPP was discussing with its members the various options open to it, one of which was a coalition with the PNC.

How does the continued strengthening of relations between the Marxist-Leninist party of Cuba and the PNC affect the possibility of a coalition between the PNC and your Marxist-Leninist Party?

A: The PPP, like all communist and workers' parties, exercises full independence so far as elaboration of its tactics and strategy is concerned.

This is done in keeping with the general principles of Marxism-Leninism and the concrete conditions in the country, developments in the region and the world as a whole.

The PPP has been discussing with its members whether or not to have formal talks with the PNC on programme and policies, not on the formation of a government. The Party wants to relieve the sufferings of the Guyanese masses.

At the same time, the Party is fully aware of the fact that solutions aimed at alleviating the sufferings of the Guyanese working people will not come about through talks alone.

The masses must also fight unitedly at all levels to bring about their social emancipation.

In this regard it is not enough to sloganeer "Produce or Perish" as the PNC has been doing.

There are obstacles to production and productivity, and these have to be removed.

(Dr. Jagan's views on how production and productivity can be assured have been omitted).

Improved CPC/PNC relations might help to move the PNC towards a progressive direction.

The possibility of a National Patriotic Front of all democratic, progressive and revolutionary forces will be determined not by improved CPC/PNC relations but by the PPP membership and whether the PNC and other forces agree to a programme based on democracy, anti-imperialism and socialist orientation.



Q: The Cuban Foreign Minister disclosed at his press conference that he has spoken with not only government officials, but has visited the PPP and had talks with you.

Can you say whether he discussed with you a coalition between the PNC and the PPP or any other form of co-operation between the two parties?

Apart from the Foreign Minister's visit, has Cuba been acting as an intermediary between your party and the PNC in an effort to bring about a coalition or any other form of co-operation?

A: No.

CSO: 3298/246



## BRIEFS

HOUSE OF ISRAEL'S AGRICULTURE--The House of Israel religious organisation is to become more involved in agriculture, the organisation announced at its first press conference since it was established over ten years ago. The press conference yesterday was held as the religious group prepares to celebrate the birthday of its spiritual leader Rabbi Edward Washington, on November 20, and that of his wife, four days later. According to the Rabbi, the greatest challenges facing the organisation are the establishment of a thriving settlement on its Gluck Island farm, Essequibo River, and the promotion of greater public understanding of the group. The House of Israel maintains 52 temples across the country. There are 64 priests and congregations totalling 10 000 confirmed members, Washington said. The members see themselves as natural Jews, and feel they have found the "promised land" of the bible in Guyana. Washington said the organisation does not solicit funds: "we raise our own." [Text][Georgetown SUNDAY CHRONICLE in English 18 Nov 84 p 7]

HOUSE OF ISRAEL PROJECTS--A review of the economic projects established by the House of Israel was one of the highlights of a Monday night birthday celebration for its leader, Rabbi Edward Washington. Spiced with songs in Hebrew and English, the function, for Rabbi Washington's 56th birthday, was held at the group's headquarters in Alberttown. Since it came into being, the House of Israel has been involved in farming projects and the production of plantain chips and salted peanuts. The group, earlier this year, opened a small manufacturing plant in West Ruimveldt for the production of the snacks, using charcoal as a fuel source. It also operates several snackettes and a boutique. Rabbi Washington said that the church has acquired the 17 000-acre Gluck Island, in the Essequibo River, and has plans to expand the current level of cultivation and settlement. From next January, the organisation plans to settle 100 additional families on the island, Washington said, adding that the target is to have some 4000 people living there by the end of 1985, according to the Guyana News Agency (GNA). The House of Israel has been actively engaged, too, in spreading the anti-imperialist message, and Monday took part in a "Hands off Nicaragua" picketing exercise outside the US embassy in Georgetown. [Text][Georgetown GUYANA CHRONICLE in English 22 Nov 84 p 5]

NEW PETROLEUM PRICES--The prices of petroleum products throughout the country have been increased with effect from yesterday, according to a release from the Ministry of Trade. The prices were announced in an extraordinary issue of the Official Gazette. This is the third increase for the year but it does not



include cooking gas. The last increase was in October. The first increase for this year was in January. In Georgetown, and within one mile of its boundaries regular gasoline will cost \$1,63 per litre (\$7,39 per gallon), and super will be \$1,69 per litre (\$7,70 per gallon). The new price for diesel fuel is \$1,54 per litre (\$5,09 per gallon). When sold at a filling station the price of kerosene is now \$1,25 per litre (\$5,68 per gallon), and at any place other than a petrol filling station the price is \$1,26 per litre (\$5,71 per gallon) in Georgetown. The new prices for areas out of Georgetown are being published in the Official Gazette which should be available at weekend. [Text] [Georgetown GUYANA CHRONICLE in English 23 Nov 84 p 1]

PNC MOSCOW TALKS--Assistant General Secretary of the People's National Congress, Cde Urmia Johnson, returned to Guyana, Wednesday after leading a PNC delegation to the Soviet Union for Party-to-Party talks. In her absence, Cde Oscar Clarke performed the duties of Assistant General Secretary and continued planning for the 20th anniversary of the Party in government. Cde Clarke is the Secretary of the Production Committee. The PNC acceded to the seat of government on December 14, 1964. [Text] [Georgetown NEW NATION in English 25 Nov 84 p 2]

RELEASE OF UNIONISTS--Four out of five persons charged with malicious damage to property belonging to the Lysons Group of Companies were freed by Magistrate C. La Bennett at the Providence Court on Wednesday, November 28. The other person was absent and has to make an appearance shortly. The case which involved Chairman of the GAWU Branch at Lysons Knitwear in the Industrial Site, Secretary Nalini Naraine, P. Lakhanlall, Gobin Ram and one other, dragged on since February 7, 1983 when the charges were made by the police. The matter was called for hearing no less than 20 times. The five persons were successfully defended by Barrister-at-Law, Charles Ramson. The charges were brought against the five workers at a time when the recognised union, GAWU, was involved in a dispute with the company over the payment of bonus to workers. The five defendants were among the hundreds who were dismissed by the company. In the meantime, the arbitration proceedings between Lysons and GAWU are to start on December 4. The Union is being assisted in the matter by Barristers Ashton Chase and Charles Ramson. [Text] [Georgetown MIRROR in English 2 Dec 84 p 4]

BOAT ENGINE SEIZURES--On Friday and Saturday last, CID men seized over 150 outboard motor engines between 15 and 78 hp from small river craft. The seizures which took place at the Parika Stelling affected owners of boats which provide much needed transportation at all hours for river dwellers. Farmers, gold and diamond miners were heavily hit. Duty slips were disregarded and receipts were demanded. Parika is a busy internal port at the mouth of the Essequibo River. Drivers on the West Coast are concerned about reports that cars with new tyres will be seized next. Other citizens are gripped with fear and expect private homes to be searched. [Text] [Georgetown OPEN WORD in English 19 Nov 84 p 4]

CSO: 3298/252



## 4,000 GOVERNMENT WORKERS AXED; PNP VOICES OBJECTIONS

### Government Position

Kingston THE DAILY GLEANER in English 29 Nov 84 pp 1, 3

[Text] Just under 4,000 Government employees have been made redundant so far under the Staff Adjustment Programme, the Minister of the Public Service, the Hon. Errol Anderson, told the House of Representatives on Tuesday.

Mr. Anderson said that insofar as the actual numbers of persons being laid off under the programme was concerned, to date the number of terminations under the programme--that is people who could be properly counted as redundant--totalled 3,947.

An additional 511 posts which were not filled when incumbents left made the total number of posts affected 4,458. The chief Ministries affected were Agriculture, Health and Youth and Community Development.

Mr. Anderson said that in the United Kingdom the ratio of civil servants in Central Government to the population was one to 89, in Canada it was one to 80 and in the United States one to 113; but the ratio in Jamaica was one to 53 at an average annual cost of \$13,000 per employee for emoluments and an overall average annual cost of \$65,000 per employee, when related costs were taken into account.

"What this means is that there is one civil servant for every 53 Jamaicans. In this figure, babies, children, retired and other unemployed are taken into account," the Minister said. "If we use the employed labour force for 1983, then we find that the ratio is one to 20. This is a more realistic figure if one is to really fully understand the problem.

"The situation appears even worse if instead of only focussing on Central Government, one were to undertake the entire public sector. Here we find that the ratio is one to five. In other words, there is one public sector worker for every five employed workers in the society. It is clear, even if we could afford it, and we can't, that in a private sector-oriented economy, the ratio of public sector worker to the rest of the economy should be lower."

A lot of adjustments would take place as the programme was effected, Mr. Anderson said. For example, Ministries have been advised that persons of retirement age who are still employed should be immediately retired.



"We regard this as reasonable, since under the Pensions Law these persons should now be receiving their superannuation benefits."

A computerised system to compute data on persons working in the public sector has been put in place to develop a proper personnel data bank so that there will be adequate information for decision-making regarding the work force in the public sector.

"We have determined from this data bank that there exists in the system a number of persons over 60 years old, this includes approximately 500 in Central Government, who ought to have retired. After verifying that the information is correct, necessary steps will be taken.

"In addition to ensuring that persons retire at their proper age, you will have noted that we have tried to minimize the impact of any lay-off by not filling vacancies and by trying to shift staff from areas of over-staffing to areas of under-staffing. Then and only then, do we look at and remove excess and temporary staff from the Establishment," the Minister said.

Because of the "re-alignment" of functions, it had become necessary to abolish some temporary and established posts in certain areas, since the margin of similar or identical functions often resulted in the need for less personnel. This, however, was not part of the Staff Adjustment Programme, but the on-going programme of rationalization.

The Minister said that there were 36,486 persons in the Civil Service, plus 7,043 members of the Police Force and 16,613 persons employed in Local Government services.

"Mr. Speaker, the function of management within the public sector is to manage efficiently but, on the other hand, several Governments have decided that the public interest is best served by retaining large numbers of un-needed staff at the expense of efficient management practices.

"When a Government makes such a political decision it poses serious consequential problems both to the taxpayer and the national economy. Firstly, an ever-increasing public sector means an ever-increasing wage bill which pre-empts substantial funds out of the national budget. Secondly, it reduces the ability of Government to increase infrastructure and capital investment, and also to provide other needed social amenities. Thirdly, it negates public sector efficiency since a high level of public sector employment is incompatible with proper remuneration for the entire public sector work force.

"Tax more or borrow more are clear choices which place the Government on the horns of a dilemma. If Government increases public borrowing to sustain public sector employment levels, it certainly would have the effect of pushing up interest rates, further reducing the availability of loans to the private sector and retarding the employment-creating possibilities of this sector.

"On the other hand if we continue to expand the public sector and increase the wage bill, this perhaps could be done out of increased taxation, but, of course, this would have the effect of reducing the take-home pay of a large number of workers thus creating another set of problems.



"One thing to be sure is that either through borrowing or by taxation, there would be an increase in the state's share of the Gross National Product, a position which would contradict the stated philosophy of this administration."

He said that the Government was acting courageously in order to ensure lasting social and economic changes which were beneficial to the vast majority.

The attainment of a socially more tolerable level of employment was the Government's major purpose, but that was only possible if there was the courage to do what was necessary, the patience to forebear and the vision to glorify those actions, he said.

#### PNP Criticism

Kingston THE DAILY GLEANER in English 1 Dec 84 p 3

[Text] The Peoples National Party (PNP) says it is horrified and disturbed by the Government's policy of lay-off of Civil Servants and by the manner in which the policy is being implemented. The Party says that there are distortions inherent in the statement to the House of Representative on Tuesday November 27 by the Minister of the Public Service, Mr. Anderson.

In a statement by UWI Senior Lecturer Dr. Edwin Jones who is the PNP spokesman on the Public Sector, the PNP said that the lay-offs were a direct response of what it called "the failure of Mr. Seaga's economic policies". The release continued:

"It is these failures that lead the IMF to insist on more and more rounds of lay-offs. The lay-off policy is definitely not any planned search for greater efficiency and productivity in the public sector."

The Party added that the Hon. Errol Anderson's statement to the House of Representatives was misleading. It said: "He makes an irrelevant comparison between the ratio of Civil Servants to Citizens in Jamaica on the one hand and the USA and Canada on the other. Our circumstances in the private and public sectors are so different as to make these comparisons meaningless."

The PNP said it was 'revolted' that the lay-off of pensionable personnel was being undertaken without upward adjustments in the pension rates. It called on the Government to explain the true reason for "its unstable lay-off policy."

CSO: 3298/255



## JAMAICA

### WORKERS PARTY HITS U. S. DIPLOMAT FOR 'INTERFERENCE'

Port-of-Spain SUNDAY GUARDIAN in English 25 Nov 84 p 4

[Text] Kingston, Sat., (Cana): The Marxist Workers Party of Jamaica (WPJ) has dubbed as "gross interference" in Jamaica's internal affairs, a senior US diplomat's comments here this week urging the government to force ahead with its economic reconstruction programme, despite its unpopularity.

John Todd Stewart, Minister Counsellor in the American Embassy in opening remarks at a conference here on Caribbean development options noted that critics were questioning the benefits of the government's structural adjustment programme, but he felt it needed time to work.

Saying that there were already few positive results from the government's programme, he declared: "These will multiply if the government holds to its course..."

#### Divisions

The WPJ said there were divisions in Jamaica today over economic policy, and that Prime Minister Edward Seaga had stated he would not alter course or touch "even one blade of grass."

"For such a high official of the US diplomatic mission, knowing the extent of divisions in our country over this matter to come out publicly in defence of the current course and to reprimand those in opposition to its is gross interference," the WPJ said.

The party said that for American officials to be "so discreet about which sides they choose to support in our domestic political life" gave greater credence to recent published reports that the US would destabilise any new government formed by the Jamaican opposition.

CSO: 3298/255



BRODERICK OUTLINES 'MASSIVE' REPAIR PLAN FOR CANE ROADS

Kingston THE DAILY GLEANER in English 1 Dec 84 p 10

[Text] The Minister of Agriculture, the Hon. Dr. Percival Broderick said on Saturday, November 17, that "a massive repair programme" of cane roads was underway. He was speaking at the half-yearly meeting of the Clarendon Associated Branch Societies of the Jamaica Agricultural Society, held in Chapleton, states a release from Jampress.

Dr. Broderick said that the repair programme was undertaken to facilitate the transportation of cane to the Frome, Bernard Lodge and Monymusk sugar factories.

Agriculture "bears a vast responsibility" in the rebuilding of the Jamaican economy and nothing should be done to disrupt this sector, Minister Broderick said.

On the matter of loans, the Minister said there was more money in the credit system now for use in agriculture than at any other time. He promised the assistance of the Ministry of Agriculture in educating farmers on credit operations, in order that they could further avail themselves of this avenue of financing.

He also voiced support for the planned setting up of a Famrers' Credit Union. and offered the use of an office at Danks in Clarendon, to be used by JAS volunteer workers in planning the pilot credit union project.

Dr. Broderick urged farmers to seek to be self-supporting and promised the support of the Ministry to the JAS, in the Society's quest to be self-sufficient, the release said.

Also addressing the meeting was JAS President, Senator Courtney Fletcher. He reminded farmers that they could no longer depend totally on Government subventions and would have to look to self-financing.

CSO: 3298/256



## RISE IN NATIONAL DEBT FROM 1980 TO 1984 CHARTED

Kingston THE DAILY GLEANER in English 30 Nov 84 p 22

[Text] The national debt has taken a dramatic turn over the past four years. On a per capita basis it has trebled, moving from approximately \$1,800 per person at the end of December 1980 to \$5,400 per person at the end of July 1984. This reflects a combination of substantial increases in the debt itself, along with the devaluation effect on external debt.

## Internal Debt

Between December 1980 and July 1984 internal debt grew by 138.4 percent from \$2,458.1 million to \$5,859.0 million. The largest sectoral growth was by local registered stocks which increased by 179.8 percent and in July accounted for 77.2 percent of internal debt, compared with 65.8 percent at December 1980. On the other hand, the smallest increase was in Bank of Jamaica advances which grew by 39.2 percent over the period and in July accounted for 9.1 percent of internal debt compared with 15.6 percent at December 1980.

There is an evident shifting out of the short end of the market into the long end in internal debt. This is a positive move as it removes some of the near term pressure to pay back loans.

## External Debt

Between December 1980 and July 1984 external debt doubled growing by 95.9 percent from US\$865.1 million to US\$1,694.8 million. There were some dramatic shifts in the sectoral components of external debt during the period. The following table analyses these changes.

## EXTERNAL DEBT (US\$ MILLION)

	% CHANGE JULY '84		% DEC. '80		%
IBRD	+232.1	\$324.8	19.2	\$97.8	11.3
IADB	+117.8	105.0	6.2	48.2	5.6
US/AID	+739.7	387.1	22.8	46.1	5.3
COMM. BANKS	+45.9	512.3	30.2	351.1	40.6
OTHER	+13.5	365.6	21.6	321.9	37.2
GROSS	+95.9	1,694.8	100	865.1	100



US/AID grew by a substantial 739.7 percent over the period from US\$46.1 to US\$387.1 million, US/AID in July accounted for 22.8 percent of Gross External Debt compared with 5.3 percent in December 1980.

On the other hand, Commercial Banks and others have recorded a significant fall in their proportionate share of external debt. Jointly they have fallen from accounting for 77.8 percent of Gross External Debt in 1980 to 51.8 percent in July 1984.

There was also a significant increase in IBRD (World Bank) loans which grew by 232.1 percent from US\$97.8 million to US\$324.8 million. Their share of external loans increased from 11.3 percent in December 1980 to 19.2 percent in July 1984.

Indications from the above is a massive shift from commercial loans to bilateral loans. This is partly a reflection of a definite shift in Government policy in combination with the difficulty being experienced by developing countries and in particular Latin America and Caribbean countries in the commercial market as a result of the debt crisis over the past few years.

The shift is beneficial to Jamaica on two important scores. Firstly, the bilateral and institutional loans are normally at a much lower and fixed interest rate than commercial loans and are more often than not tied to specific projects. Secondly, they are normally for a much longer time period than the short to medium term loans of the commercial sector, thereby removing some of the short term pressure on the Government budget.

CSO: 3298/256



## NEW TRANSACTION RATE FOR BUYING, SELLING U. S. DOLLARS

Kingston THE DAILY GLEANER in English 30 Nov 84 p 1

[Text] The transaction rate at which commercial banks buy and sell U. S. dollars has been changed as a result of yesterday's modified auction. As from today, the banks will buy U. S. dollars at J\$4.82 per US dollar instead of at J\$4.86 and will sell at J\$4.86 instead of J\$4.90.

Under the new system the rate at which the dollar cleared the market in the auction, that is, the clearing rate, is no longer the rate at which banks buy the U. S. dollar, but at which they sell them.

In yesterday's auction, the clearing rate was J\$4.86 the US dollar--the same as the clearing rate in Tuesday's auction, but with a different effect, since the Jamaican dollar will appreciate slightly against the US dollar in the transaction rates at the commercial banks.

There were 46 bids totalling US\$4.7 million of which 30 were made by banks amounting to US\$3.0 million. Bids ranged from \$4.10 to \$5.20 to the US dollar. Seven bids were rejected totalling US\$1.1 million.

Of the total qualified bids of US\$3.6 million an amount of US\$0.6 million was unsuccessful as there was US\$3 million in the pool for this auction. Bids ranging between \$4.90 and \$5.01 were satisfied 100 per cent and accounted for US\$1.9 million. The balance of US\$1.1 million was allocated at \$4.86 with bidders at that price receiving 80.1 per cent of the bids.

Of the 39 bids which were qualified, 29 were successful and 10 unsuccessful representing 8 per cent of the amounts bid.

The new system comes against the background of a continuous decline in the rate of exchange of the Jamaican dollar vis a vis the US dollar. Over the past three months the rate of exchange has fallen 26.2 per cent from \$3.85 on September 4 to \$4.86 this week.

There was a build-up of unsatisfied bids which at Tuesday's auction, the last under the old system, amounted to US\$16.3 million. Of that amount US\$16.3 million. Of that amount US\$10 million has been identified for funding outside the auction by the Bank of Jamaica.



Under the new exchange rate system a forward exchange market is to be established and operated by the commercial banks. There has been no announcement of the starting date or on what basis that market will operate. The forward market is being designed to remove the exchange risk on credit transactions, thereby encouraging the use of credit foreign exchange.

In a statement earlier this week the Governor of the Bank of Jamaica, the Hon. Horace Barber, said that based on current estimates the country could gross annually in the order of US\$520 million in foreign exchange. He said that if a viable forward market was developed and the credit foreign exchange available was utilised, the pressure on the auction market would be removed and the currency stabilised, as that amount would be within manageable levels of the resulting cash foreign exchange demand.

CSO: 3298/255



PNP, JLP CHIDED FOR ENGAGING IN 'CHILDISH COLD WAR'

Kingston THE DAILY GLEANER in English 3 Dec 84 p 3

[Text] The view that "the cold war which exists between the leadership of the Jamaica Labour Party and the Peoples National Party is childish and non-productive and is inimical to the growth and development of the country, was expressed by the Rev. Webster Edwards at the Y's Men's International Luncheon Club at the Y.M.C.A. on Thursday, November 15.

He said that in Jamaica there was a continual, incessant declaration of war between the leaders of the two major political parties. He believed that there was no common objective or consensus on any issue which they agreed upon.

"When one looks on some of the major policy decisions over the past ten years, there seems to be such basic disagreements and contradictions between our leaders that it is not surprising that as a nation we are so hopelessly divided," said the Rev. Mr. Edwards.

Their differences on foreign policy were fixed and uncompromising. On domestic policy, one only had to propose an issue, however prudent, and the other would vehemently disagree, regardless of how beneficial that action might be to Jamaica and its' future".

It was his belief, he said, that if one was going to prevent the nation from being torn apart, it was essential that there should be some national policy on which there was general consensus between the two political leaders. It would make a mockery for the country if a new government, when elected, reversed the process of the previous government and pursued a new policy.

Turning to the issue of the International Monetary Fund, the Rev. Mr. Edwards said it was inconceivable that the two political leaders were unable to agree on a unified policy of dealing with the programme. The greatest need of the hour was for meaningful and amicable discussions between Prime Minister Seaga and the President of the People's National Party, Mr. Michael Manley.

He spoke about the many people who had been laid off from the public sector and said that forecasting, an essential element in any business enterprise, had become an impossibility, and this inability to forecast had the effect stagnating growth and development in the private sector.



He expressed his disappointment at the operation of Jamaica's public transport system which, he said, was an embarrassment to any country which would call itself 'civilised'. According to him Jamaica's public transport system was more efficient and dependable 25 years ago.

CSO: 3298/255



CUSTOMS OFFICERS, PORT SECURITY GUARDS IN FRACAS

Kingston THE DAILY GLEANER in English 29 Nov 84 pp 1, 3

[Text] A dispute between Custom Protective Officers (CPOs) and security guards at Western Terminals erupted into violence yesterday morning during which several security guards were attacked and beaten by the customs men who have been objecting to their vehicles being searched by the guards on entering and leaving the wharves as required by regulations.

Three other waterfront workers were also reported injured by gunfire, when police arrived to restore order.

Last night Jampress reported that Prime Minister Edward Seaga had reaffirmed orders that CPOs be liable to search "or face strong disciplinary action."

Jampress said that according to security personnel at the port two private security guards employed by the Port Authority were severely injured, one of them having to undergo brain surgery.

According to reports to the GLEANER the clearing of goods from the wharves at Western Terminals came to a standstill shortly after 1 'oclock Tuesday afternoon when the customs men sealed the entrance and exit gates following a fuss with the security guards over the searching of their cars.

The impasse over the searching of cars had been brewing for the past three months when, acting on what they said were instructions from the managers of the Port Authority and Western Terminals, the security guards began to search the vehicles of all Custom Protective Officers and clerks entering and leaving Western Terminals.

The customs men resented this and objected to their vehicles being searched, co-operating only when their superiors were present. The problem flared up Tuesday afternoon. Reports of what happened are conflicting.

The guards told the GLEANER that since they stepped up their search some three months ago everybody except the Custom Protective Officers co-operated. The customs men claimed the guards had no authority to search them but the guards told the GLEANER that they were instructed to search the vehicles because of the increase in the drugs trade and illicit goods passing through the wharves.



The guards said the trouble began Tuesday morning when a CPO came out of his car wielding a cutlass when the guards attempted to search his vehicle. He and about 70 colleagues forced the gate open and a tug-of-war developed with the security guards trying to close the gate.

Almost all posts were abandoned by the customs men who locked the gates by putting steel seals into the locks. The clearing of goods came to a halt and people were unable to leave or enter. The customs men even blocked the small "freelane" gate through which people but no cargo is allowed to leave. It was not until about 5:30 in the afternoon that a customs surveyor was able to persuade the men to clear the gate.

The customs men, the guards said, broke into the security office and ripped the labels from goods seized and being held for court purposes.

Relating what took place yesterday morning the guards told the GLEANER that the customs men were after one security guard in particular, Mr. Clement Brett, whom they said was disliked by the customs men because of the strictness with which he executed his duties.

There was an altercation between Mr. Brett and a customs man yesterday morning and about 100 customs men converged on the scene, outnumbering the guards, "and mob the man" one guard told the GLEANER. Mr. Brett received several blows from stones and stocks and was badly battered in his face and head. He had to be rushed to the hospital covered in blood.

One of Mr. Brett's colleagues, from Vanguard Security Company, went to his assistance and was beaten and had to receive treatment at hospital.

The customs security officers claimed Mr. Brett harassed them but the other security guards were "cool."

Giving the customs men's version of what happened, one custom service officer told the GLEANER that when he arrived at work Tuesday morning and left for lunch at noon none of the guards attempted to search his vehicle. However when he returned from lunch at 1 p. m. he was stopped by the guards who demanded to search his car. He refused to let the guards search his car and reversed into the road. He said that he was "rushed" by about 10 guards, and when a senior custom officer came to his assistance, the guards pounced on the senior officer and kicked and boxed him.

He then walked into the wharf and with the assistance of several of his colleagues who had by then gathered around the scene sealed off the gates with seals the protective officers were empowered to use in certain situations.

Yesterday morning the same customs man was again approached to have his car searched as he entered the compound to report for work. He told the GLEANER that several company vehicles which were refused entry by the guards lined the street.

He said he walked into the compound and with the assistance of his colleagues sealed off the gates. "A customs officer who came to my assistance was



assaulted--kicked and boxed by a security guard," he told the GLEANER, and "a confrontation flared up". He said he knew nothing about a guard being assaulted.

According to the Jampress release the stepped-up security procedures were inaugurated after an increase in illegal imports, including arms, was detected in October.

Under existing rules, the CPOs are liable to search but have the option of requesting that a senior customs official be present during the check, Jampress said.

The CPOs are not customs examiners. They check the documents of goods going in or out of the customs area. There are 65 CPOs employed at the port, only about 10 of whom are on duty at any one point, Jampress said.

CSO: 3298/255



## SPAULDING URGED TO DISCLOSE EVIDENCE OF PNP-CRIME LINK

Kingston THE DAILY GLEANER in English 29 Nov 84 p 8

[Editorial: "The PNP and Emergency"]

[Text] At a press conference on Friday, October 5, the Chairman of the People's National Party, Mr. Patterson, issued a warning that the country was being prepared for the declaration of a State of Emergency by the Government. Political partisan statements are expected in our democratic system, and one must expect that a party which is in opposition, even outside of Parliament, must be free to comment and to criticise and even to cry wolf in warning the society.

Therefore in commenting on the PNP's call we will only refer to that section of Mr. Patterson's speech in which he said: "Information available to the People's National Party suggests that Government is now contemplating a declaration of a State of Emergency. We warn the country that this is an extreme step that can only be a last resort. The party asserts that there is nothing to justify a State of Emergency with its far-reaching implications." Mr. Patterson is thereby stating that the conditions in the country in October 1984 did not resemble those in June 1976 when the then government, of which he was a principal architect, declared a State

of Emergency which lasted for 11 months.

We are glad to see that Mr. Patterson in his statement again repeated his party's stand that it was willing to co-operate in all efforts to eradicate crime and ensure full security of the nation. That is why we join with the PNP in again urging the Minister of National Security and Justice, Mr. Spaulding, to make public the evidence on which he has based a number of statements which suggests that some in the PNP and some in other parties have a vested interest in the development of crime in the society.

We are glad that the warnings which we ourselves made in 1976 against the need for a State of Emergency have now been heeded by the party which was then in government. A State of Emergency, as Mr. Patterson rightly said, must be a last resort, and a very last resort at that. And we would suggest that with the 1974 Suppression of Crimes Act there is hardly a need for a State of Emergency as that Act gives the security forces all the power they need to get at the criminals.



POLICE URGED TO REPORT ON STATUS OF ARMS-CACHE PROBE

Kingston THE DAILY GLEANER in English 30 Nov 84 p 12

[Editorial: "Police on the Move"]

[Text]

In recent weeks the Police have been taking action to clean itself of the image of having in its ranks a number of men who are corrupt and inefficient, and this is all to the good. The Police have also been taking action in relentless pursuit of the criminal-minded and the criminals and we commend them on this. We have noted an increasing pattern of arrests being made instead of criminals being killed on sight, and we commend the Police on this. But we should like to get some more information on some events which have happened in the past few weeks, and on which investigations have begun.

We refer for example to the arms cache of 12 automatic high-powered guns, and some of lower calibre, and 6,000 rounds of ammunition for them, which were seized by security authorities at Norman Manley Airport on Tuesday, October 2 after Customs officers found them hidden among foodstuff in four barrels.

We were told that Interpol, the international police agency, and the Federal Bureau of Investigations of the United States have been brought into the case by our local Police, as the arms cache reportedly came from Miami, Florida.

We understand that a man was detained by the Police for questioning in connection with the find, and was released after questioning; but we have heard nothing since. We urge the Police to tell the public what is the latest position in respect of this alarming find.

And then again with regard to the killing of the Lue family on September 16, we have been told that at least two men have been killed by the Police, two men who were suspected to have been involved. We should like to get from the Police a full statement on the latest position. Are there other suspects, and how is the investigation going in respect of them?

A statement from our alert Commissioner would be most welcomed.



NEW AIRCRAFT REGULATIONS AIM AT CUTTING DRUG TRAFFIC

Kingston THE DAILY GLEANER in English 1 Dec 84 pp 1, 3

[Text] New measures to tighten control over the movement of aircraft into and out of aerodromes and airstrips in Jamaica went into effect Thursday with the Minister of Public Utilities and Transport, the Hon. Parnell Charles, signing new regulations as part of the stepped-up fight against drug traffickers.

Under the new regulations, aircraft can only land and take off at licensed aerodromes and international flights can only operate out of a customs aerodrome. For contravention of these regulations the operator and crew of the aircraft can be fined up to \$100,000 or three times the value of the aircraft and its engine, accessories and equipment, whichever is greater, and or up to five years in prison.

For constructing an aerodrome without written approval of the Minister, for operating an unlicensed aerodrome or preparing land for use as an airstrip the penalty is now a maximum \$100,000 and/or up to five years in prison.

Signing the new regulations at his Ministry, Mr. Charles said Jamaica was fast developing enemies in the United States, Canada and the United Kingdom as the area from which marijuana (ganja) and cocaine were being shipped into their countries; and the Government was seriously concerned with the trafficking of drugs locally.

The island's schools and other institutions were under serious attack from pushers of cocaine, marijuana and other drugs. Landing and take-off in and from the country had become a habit. Ammunition and uncustomed goods, people from other countries who did not wish to come through Immigration were entering Jamaica at their will, he said.

"We are not safe if we cannot control who enters our country and what they enter with," he warned. "At present, satellite information reveals there are 63 aerodromes or landing strips from which people are taking off and entering Jamaica."

According to a Jampress release, the Minister said he had invited all owners and operators of such aerodromes and airstrips to meet him at the Ministry yesterday when he would be outlining to them the regulations he signed and other things which they should know.



Between November 1-28, he said, 220 acres of ganja were destroyed islandwide and the nation would have to make up its mind whether a few people enjoying immense riches out of drug pushing would be allowed to destroy a generation of young people.

Very many young people were now sucking their nails; others' faces were being destroyed sucking marijuana pipes. This was no way to run a country.

"This country will have to take a decision now," said Mr. Charles. "The Government is calling on all organisations and institutions to declare where they stand now. For me, it is very clear that some of the political leaders of this country are not in support of the war against drugs.

"They are separating marijuana from cocaine," he continued, adding that his Ministry was more than satisfied that more than 50 per cent of the people involved in marijuana "are also involved in cocaine."

The medium through which cocaine was entering Jamaica was through the ganja trade, he said. "Guns, ammunition, dogs are being brought in," he stated.

Without attacking the United States, Mr. Charles said it was the United States citizens who were responsible for more than 75 percent of the ganja growing here.

Jamaicans were being threatened from entering the United States because of the ganja trade here, he said; noting "the present Government is under serious attack out in the field by some members of other political parties that we are agents of foreign power against marijuana. This means they are in full support of marijuana spreading around the country."

Mr. Charles said the Churches had already declared their stand against drugs and his Ministry had met with some leaders of commerce and would meet with them once again.

"There must be a war," he warned, "that this country will remain unblemished in the eyes of the international community."

Following is the text of the new regulations:

"These Regulations, which may be cited as the Civil Aviation (Control of Aerodromes and Airstrips) Regulations, 1984 are made under the Civil Aviation Act 1966, as recently amended.

2. The Regulations, which become effective today (29.11.84) contain the following provisions with respect to aircraft landing and taking-off in Jamaica and with respect to the construction and operation of aerodromes and airstrips in Jamaica.

3. Places for landing and take-off of aircraft--Regulation 5.

a) an aircraft shall not land or take-off at any place in Jamaica other than an aerodrome in respect of which a licence has been granted under these Regulations and remains in force;



- b) an aircraft engaged in an international flight shall not land or take-off at any place in Jamaica other than at a customs aerodrome;
- c) an aircraft shall not land or take off at any licensed aerodrome at any time other than during the hours of operation of that aerodrome notified pursuant to regulation 9.

Where an aircraft lands or takes-off or attempts to land or take off in contravention of regulation 5, the operator and crew of the aircraft shall be guilty of an offence and shall be liable--

- 2) on summary conviction in a Resident Magistrate's Court, to a fine not exceeding twenty thousand dollars or three times the aggregate value of the aircraft, its engines, accessories and equipment, whichever is the greater, or to imprisonment with or without hard labour for a term not exceeding three years or to both such fine and imprisonment;
- b) on conviction before a Circuit Court, to a fine not exceeding one hundred thousand dollars or three times the aggregate value of the aircraft, its engines, accessories and equipment, whichever is the greater, or to imprisonment with or without hard labour for a term not exceeding five years, or to both such fine and imprisonment.

#### 4. Construction and Operation of Aerodromes and Airstrips--Regulation 12

(1) No person shall construct an aerodrome without first obtaining the approval in writing of the Minister.

(2) No person shall operate an unlicensed aerodrome.

(3) No person shall clear, delineate, construct or otherwise prepare any land for use as an airstrip.

(4) No person shall utilize any land or area of water as an airstrip.

(5) Any person who contravenes the provisions of paragraph (1), (2) (3) or (4) shall be guilty of an offence and shall be liable.--

(a) on summary conviction in a Resident Magistrate's Court to a fine not exceeding twenty thousand dollars or to imprisonment with or without hard labour for a term not exceeding three years or to both such fine and imprisonment;

(b) on conviction before a Circuit Court, to a fine not exceeding one hundred thousand dollars or to imprisonment with or without hard labour for a term not exceeding five years or to both such fine and imprisonment."

CSO: 3298/253



## BRIEFS

ACCOUNTABILITY COMMISSION--In the wake of the latest report to Parliament on the deterioration in public accounting, Prime Minister Edward Seaga yesterday announced the establishment of a Commission of Public Accountability to start operating from January next year. A Jampress release last night said the agency to enforce accountability in the public sector had been authorised by Cabinet on November 19. The Public Accounts Committee of the House of Representatives, which has been examining accounts for the financial years 1981/82 and 1982/83, tabled its latest report in the House on Tuesday. The committee expressed astonishment at the deterioration in the situation since 1975/76. According to the Jampress release "Mr. Seaga said that this Commission will fill a critical gap in overcoming one of the main problems contributing to poor accountability as a result of the gross negligence in the implementation of recommendations of the report of the Public Accounts Committee. "This cannot and must not continue," he said. "The Commission will function outside of the Ministries as a statutory organisation to ensure that its personnel are free to see to it that the recommendations are put into effect, the Prime Minister said. It will work to improve accountability in the public sector which is comprised of Central Government, Local Government, public enterprises and statutory bodies, monitoring the implementation of the Auditor General's recommendations in regard to these bodies. Instances of irregularities, breaches of regulation and weaknesses in internal control disclosed in the reports of the Auditor General and Public Accounts Committees over the years, audits of Government bodies, committees and commissions will be followed up diligently by the new commission, Mr. Seaga said. The commission will consist of a chairman, executive director and two other members. [Excerpts] [Kingston THE DAILY GLEANER in English 29 Nov 84 pp 1, 3]

CAPITAL FUND WITHDRAWAL--Resolutions approving the withdrawal of \$25 million from the Capital Development Fund as well as the conclusion of a loan agreement between the National Development Bank and the European Economic Community (EEC) for L1.1 million, were passed by the House of Representatives on Tuesday. The \$25 million withdrawal from the CDF under the Bauxite (Production Levy) Act is to be disbursed to the Jamaica Bauxite Institute, the Jamaica National Investment Promotions Limited, the Bureau of Management Support and Project Analysis and Monitoring Company for the purposes of meeting their budgetary expenses. The EEC loan to be NDB is to provide additional resources to the Bank for the promotion, through approved financial intermediaries, of small and medium sized firms and for the financing, by way of loans, of their investment cost requirements. The principal of the loan shall be repaid in 60 half-yearly payments at an interest rate of 1% per annum. Interest is payable half-yearly. [Text] [Kingston THE DAILY GLEANER in English 1 Dec 84 p 14]



# PRI SWEEPS HIDALGO AMID HIGH DEGREE OF ABSTENTIONISM

Mexcio City EXCELSIOR in Spanish 3 Dec 84 pp 23-A, 29-A

[Article by Tomas Cano M. and Rodolfo Wong]

[Text] Pachuca, Hidalgo, 2 December--With an abstention rate of almost 75 percent, the Institutional Revolutionary Party won 84 mayoralties which were at stake today in the state. There were 117 candidates from 8 political parties, and the heaviest voter registration was in rural areas.

The PRI [Institutional Revolutionary Party] had no challengers in 60 of the 84 municipalities, and in some of them the opposition parties had also proposed the same PRI candidates. On 95 percent of the tickets in the state (about 1,000), only the official party was represented, according to the State Electoral Commission.

At 1800 hours the CEE [State Electoral Commission] announced that the elections had been carried out without any serious incidents. There were no charges of fraud from the challenging parties. The highest rate of citizen participation took place in the Huasteca area, while in the larger cities like Pachuca, Tulancingo, Tula, Actopan, Ixmiquilpan and Tizayuca, the voters appeared apathetic.

There were nearly 750,000 persons registered to vote. CEE Chairman Jose Guadarrama Marquez said before the polls opened that one half million people were expected to vote; however, figures released by the PRI through its delegate general in Hidalgo, Miguel Angel Barberena, indicated that fewer than 350,000 persons voted.

State Governor Guillermo Rossel de la Lama and the chairman of the PRI State Administrative Committee, Roberto Valdespino Castillo, expected the official party to win in the 84 municipalities. The state's chief executive said that there was a "climate of peace and participation. Historically the PRI has always won here," and he described the elections as a "civic celebration."

Rossell admitted that the PST [Socialist Workers Party] is the second largest political force in Hidalgo and that it had strong influence in the Huasteca area, "raising some fair questions," but that it had been defeated and had



even "crossed over." The PST put up the same candidates as the PRI in five municipalities in the northern part of the state.

In addition, the Authentic Party of the Mexican Revolution, which was seeking eight mayoralalties, lost its only opportunity to win in Tizayuca. Its original candidate, Omar Monroy, was removed from the ticket last Sunday for alleged acts of violence which occurred during the closing days of his campaign. At the last minute the PARM [Authentic Party of the Mexican Revolution] named Juan Quezada Cano to fill the vacancy. Monroy is a disenchanted former PRI member who switched to the PARM.

Governor Rossell said the opposition is attempting to take over "vacancies in the system," but that its sparse representation in the state had spoiled its chances to win any offices. The executive said that in addition much of the strength of the minority parties lies in their being able to pick up dissident former PRI members.

The governor attributed the phenomenon of abstentionism "in part to the economic crisis," but he said that much of it is due to the scanty representation of the opposition parties. "This does not mean that the PRI won by 'default.'" The party certainly has a good following and is well established," Rossell explained.

Valdes Castillo, in turn, pointed out that the political parties "which only temporarily stand behind their slogans" participated in the elections "purely for political reasons." Proof of this, he said, is the particular case of Pachuca, where the PRT [Revolutionary Workers Party] and the PSUM [Unified Socialist Party of Mexico] joined forces to propose "a good businessman," but afterward "did not have the necessary people to represent them in the 60 vacancies in the city."

The same thing happens when they support the PRI candidates, since they are trying to get their own supporters on the municipal tickets.

In Huasteca, where possible violence was expected, the elections went off peacefully, while the Mexican Army, as usual, increased its vigilance in the area.

In Pachuca a large group of PRI members celebrated the victory of their candidate, Ernesto Gil Elorduy, in the afternoon across from the PRI building, and in the offices leaders indicated that similar celebrations were taking place in other municipalities.

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CSO: 3248/139



MEXICO

## PRI SONORA CANDIDATE SELECTION SHOWS LOCAL-CENTRAL SPLIT

### Gubernatorial Candidate Considered Outsider

Mexico City PROCESO in Spanish No 422, 3 Dec 84 pp 13-17

[Article by Elias Chavez]

[Text] One PRI [Institutional Revolutionary Party] member vented his anger with a joke:

"Darn Jesus Garcia! He should have let the freight cars loaded with dynamite blow up in Nacozari!"

"Why? Rodolfo Felix Valdes had not been born yet," answered another party member in the "Salon de los Presidentes" of the state PRI in Hermosillo. This was just after their leader, Daniel Acosta Cazares, had unveiled the candidate.

A native of Nacozari, engineer Felix Valdes, secretary of communications and transport and the president's man, was anointed as future governor of Sonora on Wednesday, 28 November. The "caciques" who tried to impose their own candidate had been defeated. This defeat implied another evil, centralism, which the people of Sonora consider savage and authoritarian.

For about 4 months, the demand of the people of Sonora had been almost unanimous: "Anyone except Felix Valdes." This was not because they had something against the secretary of communications and transport but because they did not know him. He had left Sonora 40 years before.

Sonora is the land of "caudillos" and "caciques." The "caciques," headed by a man many consider the most powerful "cacique" in Mexico, Faustino Felix Serna, threw themselves into the battle against the central government in an attempt to control the selection of the candidate for governor.

Faustino Felix Serna was a bookkeeper, restaurant owner and lumber transporter, among other activities, before appearing at the side of Rodolfo Elias Calles. This son of the Top Leader of the Revolution appointed him alderman at the Cajeme City Hall. When Rodolfo died, Faustino became president of the municipality and inherited his followers.



In 1961 Faustino contributed money, people and all the means at hand to make Luis Encinas Johnson state governor. He himself assumed leadership of the political campaign and incorporated a youth, Carlos Armando Biebrich, as press coordinator. Biebrich became the main speaker for Encinas Johnson.

After he became governor, Encinas repaid Faustino with the Ciudad Obregon City Hall so the "cacique" acquired control of the southern part of the state. They even called him "governor of the south." He appointed Biebrich secretary of the city hall.

During Encinas' second 3-year term, Faustino was named federal deputy and Biebrich the governor's private secretary. As his term neared an end, Faustino's candidacy sprung up supported by Encinas. Violence broke out in the state. "Faustino, no!" was the popular cry.

Faustino organized a private army, Ola Verde [Green Wave]--named for the color of its members' hats--to fight his opponents. Of course, he named Carlos Armando Biebrich main speaker for his campaign.

After winning, Faustino repaid Biebrich. He supported him in becoming a federal deputy. He also helped him participate in Luis Echeverria's presidential campaign. Biebrich welcomed the presidential candidate who first named him speaker for his campaign and then, after becoming president, appointed him assistant secretary of government.

As the end of Faustino's term approached, Echeverria wanted to do another favor for Biebrich: name him governor. However, there was an impediment. The state constitution set a minimum age of 36 for governor and Biebrich was 31. For a president of the republic and Faustino himself, this was no great problem: 15 days before Biebrich's debut, they had the constitution amended. Now the minimum age for governor is 30.

Earlier, Faustino had established a chain of newspapers: LA VOZ DEL NORTE in Nogales, EL SONORENSE in Hermosillo, LA VOZ DEL PUERTO in Guaymas, TRIBUNA DEL YAQUI in Ciudad Obregon and EL INFORMADOR DEL MAYO in Navojoa. They were all offset print with the best equipment. They were his instrument for defense and political pressure. They were so effective that he managed to impose 60 percent of the municipal presidents in the state in 1973.

Young, good-looking and charismatic, Governor Biebrich was adored by the people of Sonora. His close friends recalled that when he received his law degree, they organized a celebration for him in his hometown, Sahuaripa. One of the civic leaders, Father Cornides, had renown as a prophet. He prophesied that Biebrich would have a meteoric rise in politics but he also warned him:

"Don't forget your own, the poor, because if you forget them, your fall will also be meteoric."

As soon as he became governor, Biebrich's "blood turned to water, as his countrymen say." There was no cabaret where he did not hold banquets. That was the time when the most famous "vedettes" of Mexico went to Sonora and were seen with the governor.



The worst thing was that he did not want to or could not break away from the "caciques" and landowners. While the governor enjoyed himself, the peasants rebelled in the Yaqui and Mayo valleys. In October 1975, they held a rally in San Ignacio Rio Muerto and invaded farms. Biebrich ordered their eviction. The State Judicial Police intervened and there was a shootout. Seven peasants died and the governor fell from office.

Faustino Felix Serna and his newspapers demanded an iron hand against the peasants. Faustino and his newspapers also took over Biebrich's defense.

When Echeverria expropriated farms in the Yaqui and Mayo valleys and distributed them to the peasants, Faustino and his newspapers supported and defended the landowners. However, Faustino met with Echeverria and personally negotiated indemnization for himself since some of his farms were affected. He negotiated well and recovered all he had allegedly lost and more.

Later during Governor Samuel Ocana's first 3-year term, Francisco Obregon, Gen Alvaro Obregon's son, appeared as candidate for the municipal presidency of Cajeme. Faustino who had a blood feud with the Obregon family was opposed. Through his newspaper in Ciudad Obregon, he supported the candidacy of engineer Adalberto Rosas Lopez, the PAN [National Action Party] nominee, and made him win. Now Rosas Lopez is the PAN candidate for state governor.

Enguerrando Tapia was the director of Faustino's chain of newspapers until 3 years ago. He finally tired of being the voice of the "cacique" and convinced him to sell him one of the newspapers, EL SONORENSE. He tried to get credit to buy it but Faustino beat him to it. He chose to sell it and LA VOZ DEL NORTE to the AMI agency. A week after this, Enguerrando died.

Faustino still has three newspapers and uses them as battering rams in the current governor's race. About 4 months ago, he began a campaign that the next governor should be "from here"--as they call politicians with permanent residence in Sonora--as opposed to "from there" as they identify Rodolfo Felix Valdes and those who are in public office in the Federal District.

Faustino also established COCIPRES [civic committees in favor of permanent residence in the state] throughout the state led by politicians associated with him. They have insisted that the PRI candidate must have lived there for at least 5 years.

Governor Samuel Ocana has remained aloof during that campaign. Far from confronting Faustino, he has managed to give political room to some of Faustino's followers. His political career, like Biebrich's, has been "meteoric." In 1973 he became municipal president of Navojoa. When Biebrich fell 2 years later, Governor Carrillo Marcor named him assistant secretary and then secretary of government. In 1978 he became president of the state PRI and from there governor. His greatest attribute was not belonging to any of the traditional political groups. However, he was very careful not to confront Faustino.

In the current race, the PRI has made another experiment. On Saturday, 24 November, it officially announced a list of seven possible candidates for



governor: senator Alejandro Sobarzo Loaiza; senator Fernando Mendoza Contreras; federal deputy Ricardo Castillo; secretary Rodolfo Felix Valdes; Eduardo Estrella Acedo, mayor of Cajeme; Alicia Arellano de Pavlovich, former mayor of Hermosillo; and Cesar Tapia Quijada, former federal deputy and a PRI member with a lengthy career.

Of all these, only Felix Valdes and senator Sobarzo were considered Sonora residents "from there." The campaign by Faustino and his allies was basically aimed at them.

Faustino and his group supported mayor Eduardo Estrella and senator Mendoza Contreras of the Sonora people "from here."

Actually, the people of Sonora, after hearing the list of possible candidates, thought that they would be the ones who would decide, manipulated or not by the "caciques." They built up their hopes and analyzed the pros and cons of all except one--Felix Valdes. "We don't know him. He has not lived in Sonora for 40 years."

They even assumed that Felix Valdes was only a "padding candidate." They still thought this on Wednesday, 28 November, when approximately 150 PRI members--sector leaders and delegates--met in the Salon de los Presidentes at 1200 hours.

They had been convoked at the last minute so the convention coordinator of the PRI national executive committee, Maximiliano Silerio Esparza, could announce the convocation to elect a candidate for governor. This occurred but immediately afterward the general delegate, Pedro Luis Bartilotti, announced:

"Daniel Acosta has something to tell you."

Acosta began: "The party sectors have asked me to tell you that the bases have revealed that we want to endorse the candidacy of engineer Rodolfo Felix Valdes...."

With grief-stricken or furious faces, all received the news in silence. The only thing heard was:

"Darn Jesus Garcia...!"

#### Valdes Biographic Details

Mexico City PROCESO in Spanish No 422, 3 Dec 84 p 15

[Text] Considered a "pure technician," engineer Rodolfo Felix Valdes will become governor of Sonora, one of the most politicized states in the republic.

Born in Nacozari on 22 May 1922, he left Sonora in 1941 to study at the National Engineering School of UNAM [National Autonomous University of Mexico] where he received his degree in 1945. His thesis was "Construction of concrete structures in Mexico City."



From 1948 to 1966 he was professor of topography and from 1954 to 1958 secretary of the School of Engineering. He was also a bridge planner for the Secretariat of Communications and Transport and did projects for private construction enterprises as well as for the DDF [Federal District Department], Secretariat of Hydraulic Resources and the Secretariat of National Defense.

From 1959 to 1961 he headed the Mexican Association of Civil Engineers and from 1961 to 1963 the Standing Committee of the Conference of Engineering Schools. From 1963 to 1966 he was a member of the University Council.

In the Secretariat of Public Works he was chief of the Planning Department, director general of planning and programs, technical adviser to the National Committee on Local Roads and assistant secretary of the sector from 1966 to 1982.

He has also been an adviser to Banobras, Federal Toll Roads and Bridges, Airports and Auxiliary Services, the Vicente Guerrero Forestry Unit and chairman of the Vigilance Committee of INFONAVIT [Institute of the National Fund for Workers Housing].

President Miguel de la Madrid appointed him secretary of communications and transport 2 years ago. He belongs to CNOP [National Confederation of Popular Organizations] but has never participated in partisan activities.

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CSO: 3248/183



NETHERLANDS ANTILLES

PRIME MINISTER DISCUSSES EMIGRATION, OIL REFINERIES

Willemstad AMIGOE in Dutch 13 Nov 84 p 6

[Interview with Prime Minister Maria Liberia-Peters, by parliamentary correspondent Frans Kok, on Curacao, date not given: "Antillians have the right to go to the Netherlands"]

[Text] Frans Kok, parliamentary correspondent of the Dutch newspaper NRC HANDELSBLAD, also working for AMIGOE, was last week in the Antilles. For the Dutch newspaper he reported the discussions held on Curacao by Jan de Koning, minister of Antillian Affairs, in connection with the preparations for a separate status for Aruba. Frans Kok used his stay on the island to interview Prime Minister Maria Liberia-Peters. Today AMIGOE presents this interview.

"I sincerely hope that it will never become necessary that DC-10 flights jam-packed with Antillians will leave for the Netherlands several times per week. I find that against human dignity. Therefore, I want the people to realize that they had better accept four steps backward here than living in the Netherlands where their dignity is violated every day by expressions of racism, a shortage of employment, and inadequate housing."

Maria Liberia-Peters, who only 6 weeks ago became prime minister of the Netherlands Antilles, makes it very clear that she will do all she can to prevent an exodus of laid-off Lago workers to the Netherlands. She thinks it would be a disaster for Aruba's development if young and well-trained persons left the island. But she is dead set against regulation of admissions. She is against it on principle as it would create two kinds of subjects of the realm. "Antillians have the right to go to the Netherlands. If they feel forced to make such an unwise decision nobody should be able to deny them this right."

[Question] Dutchmen, on the other hand, cannot freely settle in the Antilles. To live and to work here they need permits which are rarely given.

[Answer] "That may be true but it is done to protect our very small scale society. I believe that the Netherlands cannot all of a sudden



halt emigration whereas during the fifties there was encouragement from all sides to cross the Atlantic. I still remember exactly the names of the passenger liners which left fully booked from Willemstad."

She tells with some melancholy sadness how, in that same period, she went herself to the Netherlands and wound up in, of all places, Emmen. Blacks were then still scrutinized in public and hooted at, but she admits that it had more to do with curiosity than with racism. However, she knows from her own experience how people tend to romanticize life in another country, she did the same thing and understands full well that the laid-off Lago workers believe that in the Netherlands everything is better than on their broken-winged island where for the first time in 60 years Lago's stacks will soon cease to emit smoke.

She is clearly still mad about the way in which the Exxon management team handled the news of the closure. "On Friday 26 October Lago's leaders visited me here in Fort Amsterdam. At that time they had already arranged a second meeting but did not want to reveal its subject. It was going to be a very important meeting. I said to Toni Cavalaro, the general manager: What is going on? Are you by any chance going to close the plant? But he always managed to evade an answer. And then, all of a sudden, one learns that already on 14 January Lago will stop refining oil. It is unbelievable that such practices are still possible, nevertheless, one is rather powerless. In addition they also partially blame high wages. Through the years they themselves forced up wages. They never wanted to talk about a wage policy, that was against free enterprise!"

She says: "I will never tire of talking about Lago. For many years Esso has made millions here, but after 5 months of losses they turn off the lights! They do not even want to continue for a year on a break-even basis, without profit therefore, if Venezuela and Aruba compensate them for possible losses."

With courage born of despair the Antillian government and MEP leader Beticoe Croes are trying to salvage whatever they can. That means that they are fighting for a delay to allow Aruba time to switch to even more beach tourism because there are no other possibilities on an island as barren as a cactus.

[Question] Is it not ironic that Aruba is now begging for help from the very government in Willemstad, and that you, as Curacao islander, are now in charge of a rescue plan for Aruba which always felt so superior?

[Answer] "Yes, but I am not going to let them suffer. There are lots of ties between the islands. I also have two uncles and aunts who will lose their jobs, that does not leave one unaffected. I find it also sad because I have always felt that the Netherlands displayed a much more positive attitudes towards Aruba than towards Curacao."

"Lago caused an enormous panic and the people of Aruba are in very bad shape but we must remain realistic. Aruba must receive extra support,



but not at the expense of other islands. Unemployment figures on Curacao are edging towards 30 percent and the budget is already under heavy pressure by relief expenditures, rent subsidies, etc. Next year it will therefore be very difficult to come up with a fair distribution of the Dutch development money."

[Question] Not even considering Lago the future of the Antilles is everything but rosy. Shell on Curacao with 2000 workers is suffering even heavier losses than Lago. As the result of American measures the Antillian tourist route is over its peak and tourism is languishing; all the pillars of your economy are slowly crumbling.

[Answer] "Yes, the future looks bleak, the facts are there. We are definitely not yet at the brink of poverty but there is a growing realization that we will have to cut back sharply. As far as Shell is concerned, some time ago they let us know that developments on the oil market are bad but at first we did not believe that very much because Shell has said that already so often. It was usually at the start of new collective bargaining agreements. Later on there were always some agreeable surprises. The news from Lago makes us realize that they are now telling the truth."

"Shell proposed that the Antilles buy a majority of the stock, but that is an enormously risky thing. Shell says that we should bear the risks together; it implies however, that we will have to cover the losses while we have already been struggling with deficit financing for many years."

[Question] That deficit is covered by development assistance and it would imply, therefore, that Shell shares are bought with Dutch development assistance money.

[Answer] "Yes, it is indeed ridiculous that the Netherlands should subsidize Shell in this manner. The proposal must therefore be looked at again. Shell's closing would create a socially explosive situation, we are therefore prepared to give the idea a lot of thought. In this connection something could perhaps be done about Shell's obligatory minimum profit tax of 30 million guilders."

[Question] If the Antilles become the actual owner of the refinery Venezuela is perhaps more inclined to deliver the additional oil Shell has been looking for so eagerly. Next week you are going to Caracas and could ask about it and also if the oil for Lago can now be sent to Shell Curacao.

[Answer] "Yes, I will do so, but of course not in so many words. Originally Shell asked me to go to Caracas to request an extra 50,000 barrels per day. It is perhaps possible to interest Venezuela in the Shell refinery, it would be good for the sake of continuity."



[Answer] A man would not have been asked this question, we offer therefore our excuses in advance, but how does it feel for a woman to unexpectedly become prime minister and how do you get along with, for instance, the American oil bosses?

[Answer] "For me, personally, it was not an exceptional move because I am already in politics since 1975 and I was the first female deputy on Curacao.

Here I am known in all circles as Maria, that promotes already a lot of acceptance. On the other hand, to state it carefully, machismo has not entirely disappeared from our society and some men will find it therefore difficult to accept me as prime minister. I have two children, one 4 years old and another 5 years of age; if one wants to be a good mother things become a little more difficult. One often sees how men in politics often neglect their children while being a father is so important, but nobody talks about that. I find that just as bad as when a woman is completely absorbed by her work. My husband and I are trying to balance our duties."

In conclusion we talk about the relationship with the Netherlands, lately characterized by a growing number of irritations, and about independence of the Antilles as a whole, a taboo subject always carefully hidden behind the agenda point called: separate status for Aruba. She admits that there are contradictory elements in the relation with the Netherlands. There is, on the one hand increasing pressure on the subjects of independence and orientation on the region; on the other hand, the Antilles are quick to ask The Hague for help if there are problems.

[Answer] "We are dealing with a process of growth towards freedom and independence. It is full of difficult moments and, just as in any family, one sometimes needs somebody to fall back on. After 1986 we are entering a very important period in which we will have to give direction to our own independence. It is not right to fight this but it must be realized that we will make decisions for generations to come."

It is Saturday morning half past nine. A delegation of oil experts has been waiting impatiently for some time. With the friendly resolution, so characteristic for her behavior, she leads them to her office. Outside, the square of Fort Amsterdam, the seat of government built in old Dutch style, seems deserted. A lonely Dutch marine is on guard duty in the hot sunshine in front of the governor's palace, the symbol of the Dutch presence. The present governor will in all likelihood close the long line of predecessors which began in 1634.

10319  
CSO: 3214/12



# FERMENT GRIPS UNIONS; SOME LEADERS UNDER FIRE

## Review of Volatile Situation

Port-of-Spain SUNDAY GUARDIAN in English 9 Dec 84 p 5

[Article by George Harvey]

[Text] SIX PER CENT is not enough! Six per cent is boo (nothing)! Six per cent is dread bread! Six per cent means absent (from work)!

The sloganeering goes on and on to the rhythm of thousands of marching feet and protesting hoarse voices in downtown Port-of-Spain.

It is the gut reaction responding to the not kindly taken or not taken up offer of a six per cent wage increase over three years for hard and hardly-working public servants.

No to six per cent comes on heavily from the public (no longer civil) servants, including police, firemen, teachers and other monthly-paid government personnel.

We are blessed or cursed with an inborn talent to turn everything into Carnival and ole mas'. So it is not surprising, that in the eyes of the public servants unions, government's Chief Personnel Officer, Hilton Cupid, "is a bee... stinging everybody."

That the term six per cent has become part of the national language is another aspect of our life-style in seeing the humorous side even under the most adverse situation. So it is quite natural to hear, "Six per cent is much to much" and "Six per cent (like Santa) is really something else."

### STRUGGLES

Well these remarks are not in any way linked with the public service negotiations. Far from that. The six per cent referred to relates to the local name given the virulent 'flu' that still afflicts the land flooring both the weak and apparently robust beings.

This brings into focus two principal viruses eating away at the body and soul of the still vibrant labour movement:

- Retrenchment of workers with the attendant loss of membership and drop of revenue for trade unions.

- Internal power struggles within the unions.

How can serious-minded and caring unionists work up an appetite for internal squabbling, power plays, no-words-barred cuss-outs and mudslinging while the ranks are being depleted in these recessionary times?

Well, ask a foolish question to a labour stalwart and get an equally foolish reply: "You are seeing democracy at work. It is better we come out in the open and thrash out everything than to attempt to subvert unions through clandestine moves."

### WRANGLINGS

Yes, but who really wins out? The rank and file or the organisation or the community? Response: "Well it is like this. Somebody has to rule. Unions must have leadership and there will always be contenders and aspirants."

Most pronounced in the man-to-man wranglings are the carryings-on in the Transport and Industrial Workers Union (TIWU) and the All Trinidad Sugar and General Workers Union.

Leadership of the not-sweet sugar union, under president general Basdeo Panday and secretary Sam Maharaj is currently under attack by a newly-formed group called the Sugar Workers For Justice.

What does Justice, led by 27-year-old law graduate Dave Persad, want?

Removal of Panday and his execu-



tive. A statement from the group points out that sugar workers now realise "they have been saddled with a leadership that had lost touch with the workers and has continued to work actively against the best interests of all workers in the union."

Persad has a king-sized axe, to grind: He was dismissed from his \$2,750-a-month job on September 20 as industrial relations officer of the union.

His dismissal is regarded by the group as the spark which ignited the flame of agitation and as an act of injustice. It also led to a protest demonstration at the union's 47th annual conference of delegates at the Rienzi Complex on October 20, at which the police was called out to preserve law and order.

Sugar Workers for Justice demands:

- Immediate resignation of Panday and his executive.
- Holding of fresh union elections.
- Establishment of a representative committee to organise and conduct the elections.

Persad also wants a withdrawal of the dismissal letter, which claimed that he had been attached to All Trinidad on a temporary basis. He is also demanding immediate re-instatement in the IRO post with no loss of pay.

#### WARFARE

While energy is expended on squabbling for the leadership, a much bigger threat to the union exists — the future of the sugar industry in general and money-losing Caroni Ltd. in particular.

Whether it was worth struggling for or not running of the union lies in the hands of Government which will decide shortly what road the

sugar industry and Caroni will take. This decision will impact on the future viability or continued existence of All Trinidad.

Internicine warfare in the bus workers' union, TIWU was conducted on a different course with the same goal of getting rid of the leadership.

The insiders campaigning under the banner of The United Progressives (TUPs) were toppled by the rival group in one-man one-vote union wide polling. Immediately the lone TUPs winner (unopposed) Clive Nunez, president, cried foul play and rigging and announced his resignation.

Swept away in the avalanche of membership votes was former army officer Desmond Whiskey in his bid for the post of first vice president. He was beaten by Desmond Bishop by more than 1,000 votes — 2,627 to 1,391.

Appointment of Whiskey to the previous executive had been a bone of contention and a strong campaign issue. In the battle of pamphlets that highlighted the pre-polling period, the victorious Progressives team had called for the resignation of Nunez and quashing his unopposed nomination.

#### LAY OFFS

It was also claimed by the challenging group that Whiskey's appointment was made with the approval of the entire executive.

Expenditure for the payment of Whiskey's salary raised queries from the ranks in the light of retrenchment, lay-offs and inflation which had affected seriously TIWU's finances.

Excitement preceded the elections with members of the Public Transport Service Corporation (PTSC) branch occupying the union hall to protest the nomination procedure. The branch members had been deemed to be unfinancial and were debarred from nomination, although they insisted they had paid their dues.

Volatile Nunez had been under fire from opposing factions in the union for several years for his handling of TIWU's affairs.

The Progressives won the 11 posts contested with each of the successful candidates picking up upwards of 2,000 votes. Overall membership in the union is some 3,500.

The clean sweep of the contested posts by the Progressives left Nunez standing or sitting alone on the executive. He preferred resigning, stating that he just could not work with the rival side following a campaign noted for its personal verbal attacks.

Nunez made a strange complaint — that the conducting of the polls was mainly in the hands of the overwhelmingly successful group. It is apparent that he was lulled into complacency by not being opposed.

Will the rift in the union be healed? Well, one of the leading spokesmen for the winning group, chief grievance officer Albert Aberdeen, has called for unity within the ranks.

#### BITTERNESS

He said since 1972, successive elections allowing the membership to choose the leaders had generated "war and strife within the organisation." He advocated a closing of the ranks and an end to the bitterness now that the elections were over.

While in-fighting and elections are good, clean and necessary labour fun, the biggest problem facing the movement and community remains job security.

Absolute figures on retrenchment and job losses over the past two years are almost impossible to collate. A preliminary study by the Trinidad and Tobago Labour Congress on the industrial relations climate (1983-84) noted "that the last official unemployment figure was 11 per cent of the work force, "but information reaching the Congress suggests approximately 20 per cent."

Hardest hit were workers in the construction, garment and oil services industries, along with daily-paid Government employees.

How serious are the unions about employment and job security? Congress secretary Carl Tull said ongoing retrenchment had "a serious impact on the nation, destroying the social fabric of the society with people unable to pay their bills and unable to meet their financial commitments."

He said the situation was explosive "and was likely to bring about social unrest. Government, labour and business must sit down and come up with a solution to arrest the situation."

Seems I have heard that lingering melody over and over again, under the now tired banner of tripartite talks.

Well, there is little choice than to talk. It's much more productive than unions flexing muscles and tramping around the town with the unemployed and under-employed eventually putting on a bigger (if not better) show.

Six per cent is really something else. It can knock you out or get you angry.



## Solidarity March

Port-of-Spain SUNDAY GUARDIAN in English 9 Dec 84 p 5

[Text]

SLOGAN-CHANTING workers yesterday marched through Port-of-Spain in a solidarity effort to protest the industrial relations climate in the country.

Led by George Weekes, president-general of the Oilfields Workers Trade Union, and Opposition leader Basdeo Panday, president general of the All Trinidad Sugar and General Workers Union, workers left Woodford Square around 11 a.m. and marched up Abercromby Street, across Park Street, down Charlotte Street, turning right onto Duke Street, left on Frederick Street before turning up Abercromby Street and returning to the Square.

There they were addressed by several speakers including Weekes and Panday.

Weekes condemned Government's attempt to make workers responsible for the downturn in the economy and asked the Prime Minister to open dialogue with the Labour Congress.

"They don't give us the responsibility to

manage the country," he charged "but when things go bad they want us to shoulder the responsibility. We are not taking responsibility for their mismanagement. We don't have a seat in Parliament."

Weekes said employers have a voice with the different Ministers but that the Congress has none. He accused Prime Minister George Chambers of insulting the Congress by refusing to respond to a letter asking him to meet and discuss the critical state of the economy. He further said for all their differences, the late Dr. Eric Williams never responded like that.

"I don't know who is advising Chambers but I would like to offer him some advice. George...open your chambers so that the Labour Congress could come and talk to you about the situation in the country," Weekes stated.

Several speakers said that the industrial relations climate in the country was in a crisis and confrontation looms dangerously ahead.

## Campaign Against Panday

Port-of-Spain EXPRESS in English 7 Dec 84 p 3

[Text]

**THE Sugar Workers for Justice, a two-week-old group intent on removing Basdeo Panday as leader of the All Trinidad Sugar and General Workers Trade Union, yesterday promised to "embarrass and confront" the opposition leader, even form its own union, if Panday refuses to resign.**

Led by 27-year-old Dave Persad, a lawyer not yet called to the bar, the group held a news conference at the Hotel Normandie in Port of Spain to highlight what it called "corruption and nepotism" in the union which represents some 10,000 workers who are mainly based in the sugar belt.

Persad said the group had embarked on intensive campaigning in the sugar belt and had gained majority support from workers. It was now aiming at the "backbone" of Panday's

support, the cultivation areas, to force the ATSGWTU leader to resign.

He said: "If he still refuses to resign, we will have to embarrass him nationally. We will confront him. All we are saying is that he resign and hold fresh elections."

Persad, who was recently dismissed as Industrial Relations Officer of the union, said that if those tactics did not work, the group will pull out members from the ATSGWTU and form its own union.

Persad charged Panday with using issues affecting sugar workers

for his own political ambitions and cited the shift roster issue as one which he was "holding over the workers' heads for ransom" for the 1986 union and national elections.

According to Persad, Panday has accused the group of being pro-

PNM, whose sole intention is to remove his political support. Persad denied this, but refused to state whether he did, in fact, belong to the party.

He said politics was a non-issue since there were workers of different political persuasions in the union.

"The Sugar Workers for Justice is not aligned to any political party. Our position is to protect the masses of workers who are following us and we will do nothing to alienate them," he said.

Among the charges levelled against Panday and his executive were, rigging of the 1983 elections, muzzling the general council, misuse of union funds, use of thugs to terrorise union members into submitting to Panday, and inefficient handling of grievance issues of the workers.



## Panday Response

Port-of-Spain TRINIDAD GUARDIAN in English 11 Dec 84 p 14

[Text]

### SAN FERNANDO:

THE 13,000-strong All Trinidad Sugar and General Workers' Trade Union is a democratically-run organisation and if anyone wants to replace the present executive, he must do it in accordance with the constitution.

So said Mr Basdeo Panday, president general, when asked to comment on a report that attempts were being made to overthrow him and the executive.

Mr Panday said that the group, the Sugar Workers for Justice (SWJ) is led by a law student, Mr Dave Persad, who is not a member of the union.

He said Mr Persad was recently relieved of his job as industrial relations officer and was now making "false statements" about the union.

### PRESENT EXECUTIVE

"We have rules in the union made by workers and their representatives and if they want to remove the present executive, they must follow the rules."

Mr Panday recalled that when he took over the leadership, about 11 years ago, the union had no money although it had a membership of about 6,000.

He said today the union has more than \$5 million worth of assets with more than 13,000 members.

Apart from membership in the sugar industry, the union represent workers in 41 other companies.

### 'Communist Plot' Charge

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 84 p 26

[Text]

A COMMUNIST plot to take over the 13,000 - strong, 47-year-old All Trinidad Sugar and General Workers' Trade Union, has been reported.

Mr Sam Maharaj, general secretary, said yesterday that such attempts would be crushed and the executive was mandated to fight against such attempts by this "small ultra left group."

He said the union now boasted of a \$5 million in assets and the growth of the organisation "must not be destabilised and we will fight with all our might" to preserve democracy.

The "Battlefront," organ of the union, reported the alleged communist plot to take over the union in its latest issue.

And this was confirmed by Mr Maharaj, who claimed that an ex-employee of the Union was the man behind the move.

Executive officers, headed by Mr Basdeo Panday, President General, who is now holding office for eleven

years, are not disturbed over the move to overthrow them.

What they are concerned about are "misleading statements" aimed at bringing the union and its membership into dispute, according to the General Secretary.

The union now represents workers in 41 companies outside sugar.

The union has built the Rienzi complex at Couva, housing offices and a co-operative.



Port-of-Spain SUNDAY EXPRESS in English 9 Dec 84 p 15

[Article by Camini Marajh]

[Text] **THE RACE** was more like a sedate bank seminar than a campaign for the central executive of the Transport and Industrial Workers Union, a refreshing antidote to the bitterly personal "presidential" contest between incumbent Clive Nunez of the United Progressives and Desmond Bishop of the Progressives.

Nunez is known around the labour circuit and picket lines as a man of few, dull, carefully chosen words.

"I am convinced beyond a shadow of doubt that the elections were rigged," he said with an uncharacteristic absence of emotion two days after his team was defeated by Bishop's "Gang of Six."

In an exclusive interview with the SUNDAY EXPRESS at his Barataria home last week, Nunez, who described his opponent as a "corrupted dictator" said: "They (Progressives) are out to sabotage trade union unity in Trinidad and Tobago. And they are assisted by foreign external forces," he said.

Asked to elaborate, Nunez, who blamed his team's defeat on the CIA

(Central Intelligence Agency) said: "There are foreign influences here and we have proof of it."

The belligerent labour leader, who announced his resignation as president of the union last Monday said: "The United States Embassy in Trinidad was very concerned about the outcome of Saturday's elections. There is a connection...a most definite connection."

Stating that he was paid an "unexpected and somewhat disturbing" visit by the United States labour attache, Lars Hydare a couple months ago, the 46-year-old father of three stated:

"He said he had visited all the unions in Trinidad and that the Transport and Industrial Workers Union (TIWU) was the last. He claimed his visit was a sort of getting-to-know-you-thing. I immediately became suspicious."

"The Grenada scenario," he went on, "was discussed in great detail. Everything was played down. No mention was

made of the upcoming elections."

Adding that Hydare was accompanied by the labour attache for the Caribbean, Nunez, who was nominated unopposed as president in 1981, and again in 1984 told the SUNDAY EXPRESS:

"His (Hydare's) major concern was with trade union unity in Trinidad and Tobago. TIWU, headed by me, was playing a principal part in this area. Later that week, I checked with several other union leaders, nobody had seen the U.S. labour attache. It is very disturbing."

In an uncharacteristically subdued mood, the volatile Nunez said his team had no objection to losing but would certainly have appreciated losing fairly. Such calm was remarkable, especially for Nunez.

"If we are to lose," he said, "we must lose

fairly. If we are to win we must win fairly."

Dressed in his familiar revolutionary garb, the fiery labour leader, who has made a significant contribution to trade unionism in Trinidad and Tobago went on:

"My life is about trade unionism. I regret that I have to leave at this point in time. I have served notice that I wanted to make one more term and set the stage for other people to lead the union and carry it in a forward direction."

"My one regret," he went on, "is that I have to leave prematurely because I am convinced that not only were the elections crooked but that it would not work with six people, who we call the Gang of Six. They are a bunch of cowards and have proven it. I cannot lead corrupted people."

"To do that would be to condone corruption. They are a corrupted, conservative and moderate leadership. Take the Budget March for an example. They were not there, they said there

would be teargas and batons so they stayed away."

A radical trade unionist, Nunez, who is an avid photographer and is almost never seen without his camera, told the SUNDAY EXPRESS he had a "very disturbing childhood."

"I have attended no less than 13 schools," he said. "My father was a station master at the railway and he was always subject to transfer. I've had some terrible experiences because of this."

Nunez, who described his gypsy-like childhood

as "psychologically mind-blowing" told the SUNDAY EXPRESS: "I remember once...I was in fourth standard. A year later, we moved and I was placed in yet another primary school. I was told by the school principal that I was not up to the level of fourth standard and placed in third. We moved soon after."

Referring to his father as "the old man," the militant trade unionist said:

"My father did me a very bad thing psychologically. At age 12, having attended Naparima College, he had me enrolled in the Reform C.M. School. Now you can imagine psychologically what that did to me."

"People normally graduate from elementary school to secondary or college but to go to secondary to elementary to college and back to elementary...it's close to mind blowing."

"I remember going to school and feeling ashamed...of passing through the canefields, I didn't want the villagers to see me. That situation went on for weeks."

Asked whether he had any regrets about the past, Nunez said: "No, none at all."

Of future plans, Nunez, who is writing a book on the trade union movement as it relates to Trinidad and Tobago said:

"I'm hoping to establish a consultancy service exclusively for trade unions. I will never represent the establishment. I belong to one stock — the working class."



## Nunez' Formal Resignation

Port-of-Spain TRINIDAD GUARDIAN in English 11 Dec 84 p 3

[Text]

MR. CLIVE NUNEZ, President of the Transport and Industrial Workers' Union (TIWU), formally submitted a six-page letter of resignation last Friday citing as his reason the inability to work with six members of the new executive.

Following the overwhelming defeat of his "United Progressives" ten days ago by the "Progressives" at the union's executive elections, Mr. Nunez gave verbal notice of his resignation — honouring a promise he had made.

Mr. Nunez charged the elections were rigged and he outlined several grievances to support his claim. The veteran trade unionist, however, had planned to make 1984-'87 his last term if re-elected.

In his letter of resignation, he informed the Central Executive, the Central Committee and the entire membership that he would process all his vacation leave effective December 17 and would resign officially 14 days after his vacation ends.

Mr. Nunez said a group he labelled the "Gang of Six" did everything

possible to "isolate" and "destroy" TIWU over the last six years.

From April 1979, when Mr. Joe Young, one of the founders of the union, resigned, four executive members "never recognised me as acting President," Mr. Nunez said. "When I was returned unopposed in 1981, their attitude remained unchanged."

### FRUSTRATION

He accused the "Gang of Six" of lacking the courage to oppose him in the 1981 elections. He charged that they sought to remove him from office using methods designed to frustrate him.

"On May" 1981, an organisation called 'the save the union committee' emerged and the destabilisation of our union began," he stated.

As widely chastised as he was by the "Progressives" in the just concluded elections, the firebrand leader retained the presidency unopposed.

Mr. Albert Aberdeen, the Chief Grievance Officer, explained that criticism of a man was insufficient reason to depose him.

Another reason Mr. Nunez cited

for his resignation was what he termed the "sophisticated" stealing of union funds. He described an instance where labour costs were submitted without bills for repairs to a union vehicle.

Mr. Nunez outlined incidents of "systematic abuse" of union funds through vouchers which, he claimed were available for members' scrutiny. In addition, he charged "negligence in allowing over \$20,000 of workers' dues to go unaccounted."

The bearded Mr. Nunez accused the "Gang of Six" of disloyalty "by withdrawing" TIWU from the Council of Progressive Trade Unions in an effort to destroy the CPTU. On Labour Day this year, they attempted to provoke a confrontation with OWTU, he said, by distributing literature hostile to certain leaders despite an executive decision to the contrary.

Mr. Nunez also said the union was exposed to deregulation as annual returns were not forwarded for 1981, 1982 and 1983 to the Registrar of Trade Unions.

What was most unbelievable and sickening, Mr. Nunez said, was the "desperation" to which certain persons descended to keep their "jobs."

## Protest of Nunez Supporters

Port-of-Spain EXPRESS in English 13 Dec 84 p 3

[Article by Imra Rambaran]

[Text]

THE war between rival factions of the Transport and Industrial Workers Union turned ugly yesterday when its first vice-president, Desmond Bishop, became a virtual hostage of a small group of supporters of Clive Nunez, who recently tendered his resignation from the union.

Shortly before 11 a.m., Bishop arrived in his car which he parked on the Eastern Main Road, outside the union hall, and proceeded to enter the compound.

He was confronted by some 25 protestors who were staging a demonstration, calling for the resignation of the present executive and the return of Nunez to the union.

The protestors surrounded Bishop and, using a megaphone, shouted in his ear for the resignation of the "Gang of Six" as they called the present executive of the union, followed him into the union hall and back out several minutes later.

When Bishop entered his car, shortly after 11 a.m., the protestors surrounded it, and for 25 minutes, until police from the Besson Street Police Station arrived, prevented him from pulling off.

They sprayed the car with paint, used a felt pen to mark it with slogans, jumped on top of the vehicle, shouting that it was bought by them and they could do what they liked with it, and continued to shout into his ear with the megaphone that he must resign.

It was not until the protestors saw the police vehicle arrive that they stopped their harassment of Bishop.



The rowdy group, who said they were workers at the National Brewing Company and the Public Transport Service Corporation, said the recent elections were rigged and they could not accept the present executive as their leaders.

They also charged that the present executive had given permission to the management of NBC to pull down their strike camp and their placards at Valsayn.

Shortly before he entered his car, Bishop told the EXPRESS: "The people here have been supporters of Nunez throughout the elections campaign. This is just part of Nunez's campaign against us."

However, spokesman for the group, Shiraz Khan, acting branch president at NBC, said Nunez was not involved in organising the demonstration. He said the workers took it upon themselves to demonstrate because they did not wish Nunez to leave since they believe he provided strong leadership.

Another union executive, Simeon Taitt, charged the protestors with deflating two tyres on his car. This was denied by the group which said that they blocked Taitt when he at first tried to enter the compound and that Taitt then drove off his car at such a fast rate that the tyres blew.

CSO: 3298/260



# IADB PAINTS BLEAK PICTURE OF NATION'S ECONOMIC FUTURE

Port-of-Spain SUNDAY EXPRESS in English 25 Nov 84 pp 11, 53

[Article by New York correspondent Tony Best]

[Text] **If TRINIDAD and Tobago was hoping for some good news from the Inter-American Development Bank about what the future had in store for the country's economy, then there must be some disappointed people in Port of Spain.**

For in an examination of the nation's economic performance in 1983 and in some projections for this year, the IADB has painted a somewhat depressing picture, one which should be a source of concern to policy-makers in both the private and public sectors.

Although most of what the Bank had to say about 1983 was already known in Trinidad and Tobago, the IADB's assessment of the effectiveness of government policy and its forecasts for 1984 are matters that are bound to provoke some discussion in political and economic circles.

The IADB, an institution known for the care which it exercises in passing judgments on member states, did not depart from that practice in its 1984 annual report which it released recently in Washington.

However, a blind man on a trotting horse could not fail to grasp the essential message the Bank

was sending: the difficult economic times the Caricom state was facing were going to be around for some time to come.

In short, optimistic Trinidadians should keep their hopes in check because no respite was around the corner.

"The outlook for 1984 is one of difficult recovery of economic activity, continuing fiscal and balance of payments deficits that threaten new cuts in real spending and

the possible persistence of high inflationary pressure", was the way the Bank summed up the situation.

Although the IADB went to great length to analyse the problems facing the different sectors of the Trinidad and Tobago economy, the one factor which the bank pinpointed as the linchpin to the nation's difficulties was the skyrocketing costs of everything in the country.

The escalation in the costs of producing goods and services was making the country uncompetitive, according to the IADB, and that was true whether one was talking about oil, consumer goods or the tourist industry.

Putting it rather bluntly, the regional financial institution com-

plained that everything seems to cost more to produce in Trinidad and Tobago than anywhere else in the world.

"A basic factor looming behind the whole problem of economic adjustment to a new set of circumstances is the relationship of costs in Trinidad and Tobago to those in the rest of the world", the IADB stated.

As an example of what it was talking about, the bank cited the unprofitable or uncompetitive position in which non-traditional agriculture and industry producing consumer goods had found themselves in relation to foreign goods.

"The demand for both imported consumer goods and foreign travel is stimulated by price differentials," the IADB said in a rather bureaucratic fashion. To put it another way, Trinidad and Tobago is pricing itself out of its own and foreign markets as

well.

For instance, the oil refining industry was "depressed" in part because of high production costs. At the same time, on-shore oil production expenses had gotten out of hand, while the obvious decline in the tourist industry could be traced, gaining part, to

the "relatively high costs paid by tourists".

Small wonder that the bank sees little, if any, relief from the inflationary pressures which were present in '83. That projection is based on a kind of catch-22 situation, one in which rising prices and demands for higher wages are feeding on themselves.

"Even though the government has called upon the people to make

sacrifices and moderate their wage demands, pressures on costs and prices will probably continue to rise in 1984," the IADB said.

But beyond the factors of costs, how do things look for various sectors of the Trinidad and Tobago economy?

According to the IAD:  
\* The oil industry should continue its state of recession, largely because of the weak international demand and the high production costs.

\* Agriculture, hit by economic stagnation, should continue in that mode. Only an act of God, good weather conditions, could trigger a recovery.

\* Basic industries such as petrochemicals and steel are going to



have to wait on "further developments" in foreign markets before they can produce efficiently.

\* The productive areas such as transportation, commerce, construction and financial services are facing an uncertain future largely because their performance depends on government spending, inflation and spending patterns of consumers.

Looking back at 1983 and the government economic policies, IADB was not particularly impressed with either.

The country slipped into the full grip of an economic recession with its gross domestic prod-

uct experiencing a 3.6 drop; the balance of payments position worsened and the government's fiscal deficit "was again large", despite the reduction in capital spending by the Chambers administration, it stated.

That lacklustre performance was also recorded by individual sectors of the Trinidad and Tobago economy.

\* The downward slide in petroleum production continued because not enough money was being invested in exploration and drilling.

In addition, the glut in the world market and the skyrocketing production costs in the country contributed to the 7 per cent decline in output when compared with the already low levels of 1982.

\* Agricultural production declined by six per cent, a downward trend which had been started many years before but which was halted by moderate recovery in 1982. The industry was plagued with problems of cost, labour supply, low yields of traditional crops such as sugar cane, coffee and cocoa or poor markets.

\* Manufacturing had mixed results. The assembly operations performed well but the industries producing consumer goods suffered because of the recession and high prices.

\* Construction was another no-growth area, falling by less than 1 per cent in 1983. The recession and a cut-back in

government spending hurt the industry.

\* While the tourist industry in other parts of the Caribbean was showing some signs of growth, Trinidad and Tobago's "declined significantly". The reason: the high prices charged by hotels and other areas of the industry.

With unemployment going up to 11 per cent from 10.2 of the previous year, government revenue declining as a result of the situation facing the oil industry; and with private investment going down substantially, the government turned to a policy of austerity.

Taxes went up, spending went down, domestic credit was tightened, fuel became more expensive and so did the cost of utilities.

The IADB found that the government's approach did not achieve the desired result. The fiscal deficit remained high; the balance of payments problem worsened; the government was forced to put even larger amounts of money into consumer subsidies and unemployment continued to grow.

That ineffectiveness of government policy, plus the numerous ills facing the country's economy didn't augur well for the future.

"All these developments", the IADB warned, suggest that, despite the sacrifices made, the problems facing the country in early 1984 are worse than they were 12 months earlier".



CANE FARMERS PROJECT BIGGER CROP FOR COMING YEAR

Port-of-Spain TRINIDAD GUARDIAN in English 11 Dec 84 p 3

[Text]

CANE FARMERS are planning to reap about 350,000 tonnes of canes in their 1985 crop. But according to a source close to one of the farmers' organisations, that will depend mainly on weather conditions.

The source said that the farmers harvested 195,000 tonnes in 1984 and they intended to surpass that figure and could well do it because of good planting programmes over the past year.

The Trinidad Islandwide Cane Farmers Association (TICFA); and the Islandwide Cane Farmers Trade Union (ICFTU) are holding discussions with State-owned Caroni (1975) Limited concerning the company's plans for next year.

A spokesman for the farmers said that from the trend of talks and projections, the company expected sugar production to be higher than this year's 76,350 tonnes. He said Caroni would be aiming at more than 80,000 tonnes.

Company officials could not be contacted for comment but it is believed that Caroni will be setting a target of 1,000,000 tonnes of canes to be processed as compared with 950,000 tonnes this year.

The company will have two factories in operation — Brechin Castle and Ste Madeleine — both of which are capable of grinding all the canes harvested.

According to Mr Teckle Skinner, acting Chief Executive, it is the first time in many years that the company's factories are so well prepared for the crop.

CSO: 3298/260



TEXT OF HUDSON-PHILLIPS ADDRESS TO ONR CONVENTION

Port-of-Spain TRINIDAD GUARDIAN in English 7, 8, 10-13 Dec 84

[Address by Mr. Karl T. Hudson-Phillips, Political Leader, at the fifth annual convention of the Organisation for National Reconstruction on Sunday, December 2, 1984, at Presentation College, San Fernando]

[7 Dec 84 p 8]

[Text] YOUR Excellencies, fellow party members,

Under the Republican Constitution of Trinidad and Tobago, general elections in Trinidad and Tobago must by law be held sometime before February 1987.

This means that we are past the half-way mark of the maximum term which the Government was granted at the last general election on November 9, 1981.

The time has come, therefore, for us to start mobilising in a detailed and positive way of the next general election and to prepare ourselves with our other political partners to take over the affairs of state.

It also means that we must take a critical look at where our party has come from, the environment in which it was born, what it has done and achieved during its almost five years of existence and what are the forward footprints we must put on the sands of time in Trinidad and Tobago.

Such an examination will remind us of who we are, what we have done and what we must do.

**LINE OF ACTION**

It will inform and advise our future line of action in the trying days ahead. On February 1, 1981 I, delivered the inaugural address at a convention held in Chaguaramas which formalised the launching of the ONR.

It was on April 19, 1980, that I announced in Woodford Square that "after many weeks and months of self-searching and after group discussions with several of you here about the state of the country", the intention of forming a political party was made a powerful reality.

The group of persons then involved embraced land tenants and farmers,

trade unionists, workers, managers and professionals — a broad spectrum of people drawn from all walks of life.

**REAL IMPETUS**

The real impetus for the formation of our political organisation came from a call made by the National Land Tenants and Rate payers Association in November 1979 at the Lions Civic Centre in Port-of-Spain.

It was in May of 1972, while still a Minister and Attorney-General in the Government, I espoused the cause of the land tenant for land reform, social justice and equality.

That movement was the first serious social movement to articulate in a vocal manner the desire for democratic change in Trinidad and Tobago.

Others had advocated change, some violently, some non-violently — but it was the National Land Tenants and Rate payers Association which was the only true new national movement in the sense that it embraced all races, all creeds and all classes.

The social movement which immediately preceded the National Land Tenants and Ratepayers Association on a wide national scale was the movement for independence and the move to remove colonial and imperial domination from the people of Trinidad and Tobago.

**DEMAND**

That anti-colonial movement was not as internalised as the National Land Tenants and Ratepayers Association as it was part of a worldwide demand post World War II for liberation from their colonial masters.

As a student in the United Kingdom between 1952-56, I was fired and moved by the spirit of Bandung.



The great Indian sub-continent had won its independence in 1947 and shone as a beacon and inspiration to other colonial territories, firstly in Africa, to demand their independence.

This wave was to reach the Caribbean in the early '60s. First Jamaica, then a few months later Trinidad and Tobago. Put in that light, the independence movement in Trinidad and Tobago was part of a worldwide political phenomenon which was exploited to the full by the late Eric Williams.

We achieved our independence on August 31, 1962. The new State of Trinidad and Tobago was born and we had to set about building a nation.

I make the distinction here between a "state" and a "nation" because a state properly defined is nothing more than a well-defined geographic area controlled by an independent authority.

A nation is the moulding of the inhabitants of a state into a people with a common citizenship, common aspirations and a distinctive national character and ethos. It is doubtful whether the party that has been in Government since independence has as yet succeeded in moulding a Trinidad and Tobago nation.

The anti-colonial, anti-imperialism momentum which culminated in independence in 1962 spilled over for a further decade.

However, having got rid of the former colonial masters, the strategy of the ruling party and, in particular, its leader, was to turn the forces which had been released against the former colonial power, against local institutions.

The noble spirit of the independence movement was corrupted into a vendetta by the ruling party to remain in power at all costs.

At the time, few of us, including myself, appreciated what was being done. Very often the real motives were successfully disguised by cogent and logical argument.

#### SUSPECTED

There had to be a Mbanefo Commission of Inquiry into the trade unions because of suspected communist infiltration.

The power of the churches, in particular the Roman Catholic and Anglican churches, had to be curbed because they posed a threat to the state.

The other major religions, Hinduism and Islam, were kept in a weakened state by a strategy of divide and rule.

Muslims were played off against Hindus and the Hindu community against itself and the rest of the Nation.

In the words of our Statement of Principles:

"Under the guise of independent and strong government, the present Government centralised all power in itself and one man.

"The utilities had to be controlled by the Central Government to be efficient, we were told.

"It was said that our leader had to be strong in order to take effective measures against the vested interest.

"We had to repose full trust and confidence in the Central Government so that the Government could control the education system if it were to satisfy the legitimate aspirations of an independent Trinidad and Tobago.

"The civil servants had to be subjugated in order that it could carry out the will of elected representatives of the people.

"The power of the churches and the established religions had to be broken so that they could not challenge the authority of the state.

"We had to have a Kitchen Cabinet in order to give our bright, young, beautiful women a sense of participation in the Government.

"The trust and confidence given to the Government has been corrupted into a centralisation of power in the Corporation Sole. From people control in the 1960s, we now have control by a single individual.

#### REFUSAL

"The centralisation of power has resulted in a refusal by the Government to entertain any re-organisation which would permit a greater general participation by the people at all levels of the community.

"Those who hold the reins of power are not concerned with putting the society in a physical, moral, psychological or spiritual position to be able to respond to the crisis which has been created by the Government.

"The power of the state is now being used shamelessly, not for the good of the people but in order to manipulate the people.

"Vast sums of money are being spent on projects and works without any regard for productivity or people-happiness.

"Productivity is not important. The individual no longer matters. People are not being paid by the Government to work or produce but are merely being bribed into supporting the corrupt regime.

"The individual no longer matters. Do you wonder that there is no longer dignity and pride in labour and that there has been a lowering of the work ethic and the loss of productivity.

"As far as the Government is concerned, there is no relationship between work, creativity, job satisfaction and pride in work.

"We are being paid to vote, not to work. The individual is no longer a person. He is a cipher to be manipulated and oppressed".

#### CHALLENGE

The first serious challenge to the post-independence status quo came in 1969/70, — the so-called "Black Power Movement".

Here again, like the independence movement, the Black Power Movement was part of a worldwide phenomenon and the demand by black people, principally in the United States, for equal political and economic status.

It was natural that West Indians, nurtured in the freer democratic society of the Caribbean, should have been at the forefront of the North American struggle.

Stokely Carmichael and the West Indian students at Sir George William University were significant leaders in the North American black power upheaval.

The locally-based black power leaders, however, failed to appreciate the essential difference of the struggle in Trinidad and Tobago and the fact that the strategies adopted in North America were totally unsuited in the context of Trinidad and Tobago.

The people who marched in 1970 were not told that they had the political power within their hands. That it was they who democratically elected the Government and it was they who, if they bided their time, could democratically remove that very Government.

#### VIOLENCE

They resorted to violence and turned the majority against them, notwithstanding the essential and lasting validity of their message — black dignity.

No democratically elected government in Trinidad and Tobago or any part of the world will stand by idly and allow itself to be removed by undemocratic, unconstitutional means. Indeed, several governments even resist by unlawful means their removal under the democratic process.

As I stated in my inaugural address on February 1, 1981:-

"I understand why our young people marched. I had marched before. In London in the 1950s I marched with a massive student demonstration in Hyde Park Gate outside the residence of the then great Winston Churchill. I, too, had marched to Chaguaramas.

"I, too, marched with Jagan and Burnham in England when the Guyanese constitution was suspended. Marching was nothing new to me.

"But what I was against, and still am today, was the irrelevance then of violence an instrument of change in Trinidad and Tobago.

"I was against the desecration of churches. I was against the burning of property. I was in favour, as I still am, of change by democratic means".

#### FAILURE

The failure of the 1970 movement, I still maintain, was a failure of leadership.



Just as history will show that the leaders of 1956 created a state but failed to create a nation, so too will history indicate that the leaders of 1970 excited a consciousness but did not give a vision within a democratic framework.

[8 Dec 84 p 9]

They are still suffering from that today. My stand against Williams in 1973 is now part of the political history of Trinidad and Tobago.

When I resigned I told him so to his face. I did not attempt any backstabbing.

When I refused to sign the undated letter of resignation, I did so publicly on July 4, 1976, in Woodford Square.

Understand that while post-independence the PNM and its leader were neutralising all institutions — the church, the Friendly Societies, the Civil Service — its leader also had to be neutralising and eliminating men.

This was so because they permitted neither challenge to the Government nor to the leader.

Moosai Maraj, Elton Richardson, C.L.R. James, Winston Mahabir, D. Wilton Rogers — all had to be eliminated. It was not sufficient to defeat Albert Gomes.

He had to be dragged in the dust and hounded out of Trinidad. Butler had to be imprisoned as a common criminal for squatting.

The party and its leader had to be all pervasive — the individual no longer counted, the little people were only votes to be used at election time.

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It was against this background that the ONR was formed. The formation of the ONR was the result of a spontaneous demand by all sections of the population for a new dispensation for the people of Trinidad and Tobago in the decade of the '80s and beyond.

Because of the humanistic nature of the demand, we were able for the first time to form a party consisting of all the sections in the society.

It was a response to the demand by the population for recognition as human beings and individuals, irrespective of their class, religion, race or creed.

## NATIONAL

For the first time a truly national party was formed in which all and sundry could participate and feel at home.

Again I quote from the Statement of Principles: "(We concern) ourselves principally with the need and the search by our people for meaning, for identity, for equality of life as citizens of Trinidad and Tobago.

"We have our special contribution to make to the people of the world.

"Our contribution, therefore, must be different because our human experience is different ..... but it is only by allowing the people of our country truly and freely to express themselves that we will be able to make this special contribution, which we know we can, to the modern world.

"We gave a new vision and sense of

belonging within the party to all the citizens of Trinidad and Tobago. We made a statement of the Politics of Conscience.

"The politics of conscience knows no race, no class. The politics of conscience is an abiding commitment to the well-being and welfare of oneself and all others.

"The politics of conscience means the creation and maintenance of institutions which will constantly express and reflect the need of the individual for freedom and identity.

"The politics of conscience says that the state and the Government are for the people and must always respect and show concern for the individual. Government must have a conscience.

"The politics of conscience recognises fundamental freedom and equality as a daily requirement of the individual, to satisfy his moral, material and psychological needs.

"The politics of conscience gives

people that inner strength, honesty and determination to express themselves and participate fully in the decision-making process."

The ONR was therefore a thrust to the level of the individual. Viewed as such, it was a serious attack and challenge to the established political forces which had increasingly become racially based.

Understand that in the 1930s Butler was able to mobilise Africans and Indians in a way that Williams was never able to.

The anti-colonial movement of 1956 was soon turned into an essential

black nationalist movement as a result of the disappointment by Williams of the results of the 1959 Federal Elections. He then spoke about the recalcitrant minorities.

Such of our Indian brothers who were given prominence in the PNM were there for the purely cosmetic reason of making it appear that the PNM was truly interested in multi-racial politics.

Before the ONR a lot of us were seduced by that. These sentiments still exist below the veneer of the multi-racial society.

Because the ONR preached the oneness of the individual, and as I said this attacked the fundamental base of the traditional racial alignment, we were attacked on all sides.

## VALUE AND WORTH

Remember that we preached the philosophy of land reform on the basis that land knows no colour, no creed, no class. We were expounding in a rudimentary form the primacy of the individual.

We preached against state capitalism and state control because those were against self-expression, creativity and recognition of the individual for his intrinsic value and worth.

We therefore came under attack from both of the traditional political forces. Because we were campaigning for people because they were citizens first and Indians or Africans second, or Catholics and Baptists third, we were attacked on both sides.

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First our Land Tenants and Ratepayers Association which was the mother of the ONR. In 1981 we campaigned vigorously and honestly.

We made an impression on the minds of the people of Trinidad and Tobago which cannot and will never be removed. We rekindled the spirit of our people and their yearning for honesty, respect and goodwill to our neighbours.

Without the ONR there would have been a considerable political vacuum. Without the ONR there could have been no thought of a National Alliance for reconstruction.



It is we in the ONR who have brought the politics of 1984 to where the politics are now. I will remind you of this later.

Suffice it to say that in 1981, apart from polling 91,000 votes, we were able to make a significant impact in every single constituency in Trinidad.

### RESTRICTED

We restricted our activities to Trinidad because we knew that had we contested in Tobago at that time, we would merely have tended to confuse the Tobago population and possibly assist a PNM win at the general elections in Tobago in 1981.

The margins in 1981 in Tobago were uncomfortably close. In a real sense, therefore, we have been the yeast making the political bread of Trinidad and Tobago rise to the level at which it is now poised. But more of that later.

What now is the state of Trinidad and Tobago? The country, Trinidad and Tobago, is characterised by two things. One, the PNM has run down Trinidad and Tobago. And secondly, the PNM is on the run.

As we said in 1981 and as we say again, the Government has brought

The propaganda against us was in the North, the traditional PNM stronghold, that we were anti-black.

Imagine a party espousing the cause of poor people in Trinidad and Tobago, espousing the cause of fundamental social justice through land reform, being portrayed as anti-black.

The very leader of the ONR who had almost been unanimously voted to succeed Williams in 1973 was portrayed by the same people as anti-black, anti-democratic.

If I was that, then that is what they voted for in 1973 when they voted for me to succeed Williams. The other traditional forces said openly that if the ONR came to power "Indians would eat grass."

This was so notwithstanding the almost super-human work of the Deputy Political Leader of the ONR, Suruj Rambachan.

This was so notwithstanding an ONR platform that advocated Islam and Hinduism equal parity in the religious and cultural life.

In other words, ONR was identified as a new vision, the new vehicle for change which would wipe away the old corrupt forces.

No honest person anywhere can deny that the ONR had done a tremendous job in changing the thinking and the politics in Trinidad and Tobago in the last seven years.

[10 Dec 84 p 8]

They (NJAC) are still suffering from that today. My stand against Williams in 1973 is now part of the political history of Trinidad and Tobago.

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What now is the state of Trinidad and Tobago? The country, Trinidad and Tobago, is characterised by two things. One, the PNM has run down Trinidad and Tobago. And secondly, the PNM is on the run.

As we said in 1981 and as we say again, the Government has brought Trinidad and Tobago to a state of economic collapse.



## A DROP

We foresaw it in 1981, we spoke about it in 1982 and it is there for everybody to see in 1983 and 1984. It will be the same in 1985 and 1986.

In 1962 when we became independent, the economy was dominated by petroleum. Twenty-two years later, this is still the case, except that the inputs of other sectors have declined dramatically.

### FIRST SIGN

At the first sign of economic up-turn in 1973, the Government abandoned all planning.

We were told that planning had lost its mystique and was no longer fashionable. On paper the policies of the Government followed a classical theoretical position.

The windfall from petroleum was to be set aside in Special Funds as an economic patrimony.

The bulk of these Special Funds was spent on energy-based heavy industries and transfers to the population by way of subsidies.

However, because of the political cul-de-sac in which the Government had run itself, certain things happened.

The anxiety to establish energy-based industries was matched only by the avarice of those in charge of the funds to see what kickbacks they could get.

The political thinking followed the big money. Agriculture was abandoned. The manufacturing sector declined. Consumerism was fed, creating a false sense of prosperity.

### PROSPERITY

The economic prosperity was used to feed the political circus for the maintenance of power. Money no problem.

There was created an artificial sense of well-being, principally among the party faithful with little attention to the imperatives of honesty, productivity and discipline.

They behaved as if Trinidad and Tobago belonged to a few individuals who had a God given right to dispense the goodies in order to stay in power.

In the minds of the Trinidad and Tobago population, they created a false sense of security and well-being with little care for what would or could happen tomorrow or the day after.

Every sector, including petroleum, declined. In 1974 there was a dramatic increase in petroleum revenues while the real output in the petroleum sector has declined since 1974.

Agriculture and manufacturing all declined. For the past decade, agriculture has been in a decline. In 1981 real output in agriculture was only 73 per cent of the level achieved in 1973.

In sugar there has been a drop of almost 50 per cent while in other export crops there has been a fall of 33 1/3 per cent. In domestic products there has been a virtual stagnation.

While this was happening, funds were diverted to prestige projects like the Racing Complex, the Financial Complex, the Hall of Justice and the Mount Hope Medical Complex.

Projects, all of which if completed, will demand a significant increase in fixed recurrent costs if only for their maintenance.

It is understood that the Government is now negotiating a maintenance contract for the Mount Hope Medical Complex at an astronomical figure.

Two important comments need to be made at this stage. One, none of the energy-based industries has any backward linkages into the economy of Trinidad and Tobago in order to stimulate self-sustaining activity and growth.

For example, we have a steel mill and we still import steel for building houses. We have a petroleum industry and an almost non-existent plastics and textiles manufacturing sector.

The second point is that all these industries are a drain on the Treasury of Trinidad and Tobago.

I wish to remind this audience of what I said on Sunday October 10, 1983 at the Lion's Civic Centre in Port-of-Spain.

### REFORMS

"In the late 1950s, Trinidad embarked on certain structural reforms to make the economy more self-reliant and to reduce the dependence on petroleum.

"Attempts were made to increase the linkages between the various sectors and to transfer decision making from metropolitan countries to local board rooms.

"If we had pursued this strategy of development, today we would have been able to face the present economic crisis with a greater degree of confidence.

"We would have had structures possessing the required degree of resilience to withstand adverse forces, both nationally and internationally. William Demas and Lloyd Best have been saying this for a number of years.

"Now a sudden sense of panic can be seen in the public statements of Ministers, Permanent Secretaries, Chairmen of Boards, union leaders and businessmen.

"They all know that the economy does not now possess the internal dynamism to make the necessary adjustments without serious dislocation.

"As it is, some people have begun to pray for miracles in the form of another fantastic increase in the price of oil.

"Earlier this year, the Minister of Petroleum boasted of new oil finds as if increased oil production will solve our present situation.

"Any dramatic increase in oil prices in the foreseeable future is highly unlikely. If, however, by some miracle this were to happen, this would be one of the worse things that could happen to us given the structural weaknesses in our economy.

"We must realise that continued increases in the price of oil would not only fan the fires of inflation but would deepen the recession which has already taken hold of the world economy.

"Worse than that, the real price of oil would not in fact have increased because the goods we are now forced to buy will certainly increase out of all proportion to the increase in the price of oil.

"But worse of all it will fool us again into believing that everything is wine and roses."

The fact of the matter is that since making that statement in 1982 our predictions have realised the worse fears.

There has been a decline in oil prices together with a decline in production with a marginal stabilising of the latter because of incentives to land exploration.

Coupled with this is the fact that the Trinidad and Tobago dollar is tied to the U.S. dollar for the purposes of the exchange rate. This means that no advantage to the consumer or the exporter has been gained since on the one hand our exports, such as they are, have become relatively more expensive, and our imports, coming as they do mainly from the United States, have not profited from the lower European currencies.

In any event, while being tied as we are to the U.S. dollar may result in some short term nominal gains, this means that we are subject to forces which affect the U.S. dollar, which forces bear no relation whatsoever to our local situation.

The present strength of the U.S. dollar can be attributed mainly to the large budget deficit of the U.S. in a run up to its Presidential campaign.

Now that President Reagan has been given his second and final term, we may expect to see fairly stringent economic measures being applied in the United States to reduce both the budget deficit and the public debt in that country.

Factors which are totally unconnected with our local scenario but which impact upon us because we are tied to the U.S. dollar and there has not been established any mechanism for constant review of the relationship between the U.S. dollar and the Trinidad dollar and the continued decline in the real value of oil prices.

In the short term, one may expect a weakening of the U.S. dollar which will cause a temporary but short lived rise in the price of oil.



A strong dollar increases the world wide purchasing power of the oil producing countries.

In this sense, a rising dollar tends to hold down the price of oil. However, when the U.S. dollar starts to fall, this would tend to initially encourage increases in the price of oil in order to maintain the purchasing power of oil producing countries.

However, there has been no versatility in the mix of origins of the imports into Trinidad and Tobago to take advantage of these fluctuations.

Moreover, it is clear that the Government of Trinidad and Tobago, for purposes of purely short term political expediency, are afraid to tackle the serious problem

of the rate of exchange of the Trinidad and Tobago dollar for fear of political repercussions.

But in fact the Trinidad and Tobago dollar has already been devalued in the streets. The unrealistic measures which the Government and the Central Bank have introduced, while showing a paper effect, have merely increased the non-institutional trade in U.S. dollars and at a rate far higher than the official rate of (TT)\$2.40 to one U.S. dollar.

#### MEASURES

The next government will have to address the total economic situation of Trinidad and Tobago seriously.

Because of the measures which are now required because of PNM incompetence, nothing short of a revolution will take place in Trinidad and Tobago unless the population is educated and told the following:

1. The reason why we are in the situation in which we are;
2. What has to be done, however painful, in order to get us out of the mass in which we are.

The two cannot be divorced or separated. For example, it is no use for the trade union movement simply to protest about wage offers of six per cent from the Government without asking the question:

Why only six per cent? What has caused in the short space of three months, offers of 40 per cent and 50 per cent over three years to be reduced to offers of ten per cent and 12 per cent.

It is no use our merely saying that there is no more money without asking why there is no more money?

And asking the question: Who is responsible for the lack of money after a \$40 billion windfall from petroleum over the last ten years?

The employers must explain that the low wage increases being offered can be traced directly back to Government policies, Government mismanagement and Government inefficiency.

Now is the time for the employer and organised labour to sit down and analyse the reasons why we have been brought to the situation where workers are being forced to accept rising costs, a health surcharge and yet to be expected to accept low wage increases which do not balance the rise in the cost of living.

Serious discussions between the non-public sector employer and the labour force must take place in order to lay the blame for our present situation where the blame is due.

#### POLICIES

The fact of the matter is that the policies of the Government have brought everybody to their knees. The mismanagement has crippled everybody.

The corruption, and there is still a lot of it going on, is squeezing everybody.

As I have said before, employers must analyse and explain to the workers that the present economic situation is the fault of no one but the Government which has been in power for 28 years.

[12 Dec 84 p 8]

We will have to tell the population very clearly that while we are a group of educated and honest people, the situation to which this Government has brought us will not permit of easy solutions.

It will be no use winning the next election on a negative response. We must win the next election with a majority that has been educated by us to understand the issues and the task ahead.

The fact of the matter is that the following situation is what faces us:

1. A drastic fall in foreign exchange earnings;
2. Government revenue from the petroleum sector in the form of taxes and royalties has declined sharply;
3. service contracts in the petroleum industry have been curtailed;
4. there have been massive lay-offs in private and public sectors;
5. lay-offs will mean less revenue from taxes, less savings, less disposable income; and
6. national insurance and health surcharge payments will also decline.

#### SURPASSED

Recurrent expenditure has surpassed recurrent revenue. It is only if expenditures are substantially reduced that can show a surplus on current account.

Unless we show a surplus on current account, we will not be able to borrow money on the traditional international capital markets.

The Government may well borrow money from shady, non-institutional sources — at exorbitant rates and on punitive terms.

One refers to Mafia money, some of which is already in Trinidad and Tobago, which demands not only high rates of interest but protection money.

The budgets of 1983 and 1984 have merely scratched the surface of the problem and therefore will not provide the structural adjustments if the economy is to be placed on a long term path of sustained growth.

Remember what the Demas Task Force recommended:

1. A programme of structural adjustment;
2. stringent fiscal and monetary measures;
3. an incomes and prices policy;
4. reduction in public sector investment;
5. dismantling of the subsidy and welfare payments;
6. reforming, reorganising and restructuring the public service and other areas of the public sector; and
7. positive proposals for the agricultural and manufacturing sectors.

These proposals were to form the

basis of a transitional period during the years 1983 to 1986.

A serious approach has been avoided by the Government because of the political debts which the Government has to pay.

For instance, the six per cent offer to Civil Servants. The Government has offered six per cent when it knows that the increase in the cost of living during the last 12 months has been in the order of 17 per cent.

#### SQUANDERED

But it says nothing about the prices policy. It can say nothing having regard to the composition of the Cabinet and the interest which those Cabinet members serve.

In addition, having squandered the taxpayers' money, it can no longer keep down the prices of commodities controlled by the Government.

Electricity has increased. The poor man is now paying more than the rich man. TELCO was granted a rate increase less than two years ago and it is going back for another massive increase.

The Public Transport Corporation goes on television and its PNM Chairman announces a minimum fee of \$1 and blames it on the population, saying that that is necessary because people are riding the 'buses' without paying the full fare.

#### REASONS

The fact of the matter is that all of these utilities are Government



owned and what the Government is doing is disguising taxation by increasing utility rates.

And yet we hear nothing about increased productivity and greater efficiency in the management of these concerns.

What do you expect. All of these concerns are in the hands of party hacks whose concern is not you and me but propping up a dead and moribund Government.

In Trinidad and Tobago the Government, for purely political reasons, is forced to postpone the necessary corrective measures because of the political debts which it has to pay.

The longer this happens, the more painful the adjustments will be. Notwithstanding Government announcements about our credit worthiness, the fact of the matter

is that we have been told by the World Bank that the bank cannot lend us any more money.

The time has come for us to admit that the strategy of industrialisation in Trinidad and Tobago has failed because of politics PNM-style.

None of the fundamental problems in the society has been resolved. We have to admit this because the evidence is now confronting us. Leave the PNM there and we can run the risk of becoming not an ordinary, average Third World country.

We may well slide into the chronic poverty of a Haiti. In 1981 we warned that in a very real sense Trinidad and Tobago was worse off than St. Vincent, St. Lucia and Dominica. At least in those small islands the man out of work does not starve.

We have to tell both employers and labour that a new strategy must be developed and implemented. We have to go out there and explain to them that under our new economic strategy there will be no need for employers and workers to be constantly at each others throats.

## PROBLEMS

Half of the problem of the present industrial unrest is because neither employers nor workers have yet realised that the villain of the piece is not the poor worker on the one hand or the employer on the other hand but the PNM Government.

The Government is "sooking" workers behind employers. And behind the scenes the Government is "sooking" employers behind workers.

We must have a new strategy. There must be a change in direction. This new strategy must contain the following elements:

1. Identification of those industries which will earn an increasing amount of foreign exchange;

2. identification of those industries which will provide essential goods and services for the domestic market; and,

3. social and economic policies which will have as their main thrust the achievement of social justice through the full development and utilisation of labour, the maintenance of utilisation of labour, the maintenance of efficiency of both domestic and export sectors and

the acquisition of modern technology with the development of the required financial and other institutions.

The key to our success as a nation in the future will be how efficiently we can manage all our resources — labour, capital, technology, foreign exchange, space and energy.

The strategy must encourage resources to flow into sectors where they are most productive and where their future demand is expected to be high. We have to be innovative.

## ENCOURAGE

We must encourage actively the development of certain sectors and we must not be afraid in the future to change our emphasis when the international environment so dictates.

We have made it clear in our Statement of Principles that we expect the Government to start to exercise a large measure of control in the investment and operating decisions of the so-called commanding heights of the economy.

In the rest of the economy, however, the Government must not stifle initiative. The Government may use demonstrative measures and selected policy instruments, research and development subsidies, borrowing privileges, to influence industrial development and growth.

Now is the time for a review of the tax structure in Trinidad and Tobago.

In real terms there has been a fantastic increase in taxes paid by the individual because of increases in utility prices and the prices of basic commodities bearing customs and excise duties.

[12 Dec 84 p 8]

WHILE high taxes mean more Government revenue, they also mean greater hardship on the individual and less money or disposable income to generate business which creates employment.

There should be a special tax regime for corporations with particular reference to capital investment, exports and, more particularly, geographical location.

Manufacturing companies should be given special tax status to locate in Tobago, Sangre Grande, Caroni, Pointe-a-Pierre, Point Fortin and Guayaguayare to take up the slack of unemployment.

## EFFICIENCY

All of these, however, must be within a policy that stresses economic efficiency. To revitalise our manufacturing and agricultural sector, a special export policy must be devised.

This export policy must contain the following elements:

1. lower tax burdens;
2. lower interest rates;
3. tax exemption on a portion of export earnings;
4. accelerated equipment depreciation allowances and expenses for overseas market development must be given;
5. preferred borrowing rates on export bills;
6. a system of product inspection to monitor quality control and priority exports for both the internal and external markets where applicable.

In all this, labour will be a critical element in the economic management system which must be instituted. We will require a large pool of trained and technically proficient and efficient young people.

## CRITICISED

We were criticised for saying that the DEWD programme and the education system must be reorganised. Ways must be found and found fast to institute a national programme for retraining of retrenched workers.

Singapore has done it, the United Kingdom has done it, we can do it. Retrenchment is a burden in Trinidad and Tobago not only because the alternative employment is not there but because no system of retraining is there.

We are running a high unemployment rate at the moment, yet we have trouble finding a man to fix a television set, an electric kettle, or a simple iron.

Not to talk about the assembly car industry and the number of motor cars on the road — yet the difficulty we face to get a reliable motor mechanic to fix our cars.

The sum total of this is that we have to understand that running a country is one big partnership between the Government, the private sector and labour.

## IMPORTANT

One cannot do it without the other. Each is as important as the other. But it requires good government — honest government and government with a sense of direction and purpose.



In the earlier part of my speech I referred to the origins and the purpose and the mission of the ONR. Remember that both in our Statement of Principles and in our 1981 Manifesto we attacked no one.

What we attacked was the system. Our campaign was devoid of

the personal abuse, the smears and the propaganda which was levelled against us. Although we did not win, this has endeared several more people to our side.

As you know, for the 1983 Local Government Elections we went into a political accommodation with the other Trinidad-based opposition parties.

A few things about this accommodation. Unless post 1981 we did not continue to be a political and moral force to be reckoned with, there could and would have been no accommodation.

A lot of people expected that with our defeat in 1981 we would have gone out of existence. What they did not assess and realise was that the ONR was more than a political party.

#### A VISION

It was a vision of a people. It was a crusade. In the short run, therefore, no formula for the removal of the PNM can ignore the validity, worth and strength of the ONR.

Those who do so will do so at their peril. Without the ONR there can be no accommodation and it will be back to to square one.

Without the ONR there can be no National Alliance for Reconstruction because then it would be back to square one.

It is the ONR alone which in the last 28 years has been able to mount a serious national threat to the PNM. I am not here talking about threats at a cultural or limited geographical level.

In a sense the vision and policy of the ONR contributed to its defeat in 1981. I say so because we threatened all and sundry.

Our friends in the Alliance, DAC and Tapia could not touch the PNM in the East-West corridor.

We can. The PNM cannot touch the Alliance in Caroni but we can. That is because we started off being and remain a national party.

#### POLITICAL

What has happened in my view is that there has been an acknowledgment in Trinidad and Tobago that if any political force is to remove the PNM, the ONR is an indispensable part of that force.

It is the policies and philosophy of the ONR which has caused the dramatic turn around in the political scene in Trinidad and Tobago in the last four years. We have been the

agent and the vehicle. We have recognised this responsibility to the people of Trinidad and Tobago.

We have done so with humility and without gloating or trying to upstage anybody. Our sincerity of purpose, however, must never be construed as an intention to abandon the core of our principles or the heart of the inspiration which we have brought to the citizens of Trinidad and Tobago.

If there is hope in 1982 of removing the PNM, it is because the ONR has

brought hope. I want you to be as confident and firm about that as I am.

It is because of this conviction of the indispensable nature of the role that the ONR has to play that we can afford a generosity of spirit and that we can afford to make concessions.

#### GENEROUS

This, of course, is always provided that those to whom we are generous will show generosity to us.

Those to whom we make and continue to make concessions will also in the noble spirit of the national compromise, also make concessions to us. Understand I am not, and the ONR is not, making any plea.

What I am doing here on behalf of the ONR is to restate the role of the ONR and the fact that the ONR is now indispensable in any national dispensation.

We told the population today that it can expect nothing but honesty, principles and high moral leadership from the ONR.

There is nothing tentative in the position of the ONR and its leader. We are now stronger than we were in 1981 and in a better position to assist our political partners under the banner of the National Alliance for Reconstruction.

A weak ONR will mean a weak NAR. A collapse of the ONR will mean a PNM victory. We in the ONR are committed to being the hub of the wheel, the yoke bearers, to ensure the removal of the PNM.

We have committed ourselves to a National Alliance which is a federation of parties. We have stopped short of forming one unilateral party at this stage because that would have meant, at this stage, a disbanding of the ONR and a weakening

of the NAR.

We have kept our faith in not running to the Press about delicate and sensitive matters except where we have been forced to do so in order to preserve the ONR for the NAR.

If certain people do not recognise this, you can rest assured that one set of people who do not recognise this is the PNM. Do not for one

moment underestimate the continuing capacity of the PNM for infiltration and mischief. Several attempts over the years at possible unity have been shattered by PNM propaganda, PNM mamaguy and by PNM plants within the camp. This battle, this struggle, transcends individuals.

This battle has a high moral purpose. We have to labour and not necessarily look for rest; to toil and not look for reward save that of knowing that we are on a mission of re-establishing decency and good government to the people of Trinidad and Tobago. No alliance of opposition parties will last unless it is firmly rooted in policies of principles and not on personalities or men. All those who are jumping up giving advice in December 1984 might well change their tune by June 1985. We in the ONR are insisting that the population be given a clear and unambiguous vision, a policy of where we are going.

It is more than the negative of politics for the sake of removing the PNM. It must go beyond that.

It must tell the population, including those who supported the PNM in the past, what our vision is and what we are going to ask of the population for the nation.

It would be remiss of me to close without extending our heartiest congratulations to the DAC and the people of Tobago for their victory over the PNM.

We can only hope that the assistance which we gave contributed in some measure to that victory. We gave selflessly in the cause and if called upon we will do so as generously again.

The motto of the DAC campaign in Tobago in the recent Tobago House of Assembly elections can well be applied, as far as the ONR is concerned, to the National Alliance for Reconstruction — **SIDE BY SIDE, NOT ONE BEHIND THE OTHER.**



TAPIA HOUSE LEADER SEES ONE-PARTY DANGER IN GRENADA

Port-of-Spain TRINIDAD GUARDIAN in English 10 Dec 84 p 3

[Text] Tapia House movement has expressed the hope that the newly-elected Government in Grenada would take the necessary steps to secure the island's rightful place in the West Indian community.

And the party, through its chairman, Dr Beau Tewarie, has warned that the overwhelming victory by the Herbert Blaize-led New National Party (NNP) could well lead Grenada to a one-party state.

Dr. Tewarie said Tapia had no desire to see Grenada become either a Soviet satellite, or a piece of American real estate in the Caribbean. He said:

All Not Well

"One simply cannot assume that because the elections are over, all will be well in Grenada. It was true that Grenada was lucky to have another change at constitutional government, because violence can well trigger off an irreversible process.

"But a lot depends now on whether the newly-elected NNP, which is a coalition of political parties, can function as a cohesive government, able to demonstrate good sense through moderation and restraint, in both domestic and foreign policy.

"The overwhelming victory of the NNP under Mr. Blaize has obviously given Mr. Blaize and his coalition party a tremendous mandate, but one cannot ignore the problem of checks and balances which such an overwhelming victory raises.

"If Mr. Marcel Peters (the GULP candidate who stood in the way of a clean sweep) does resign, Grenada could well end up with a one-party state and Parliament following the bye-election.

"Indeed, for all intents and purposes, the situation is already this in Grenada."

Mr. Tewarie said this may not prove an insurmountable problem, but given the recent trauma which Grenada had undergone, and the extent of abuse of power in the not so distant past, one hoped that the Blaize administration would demonstrate a certain sensitivity to such issues from the very beginning.



Moreover, in such a situation as now existed, any faction or combination of individuals could break away to form an Opposition group overnight.

Mr. Tewarie added: "Such a situation could emerge either because of out and out opportunism, or it could well be engineered to create the illusion of a two-party, Westminster-style democracy.

"It is our hope that such developments will not occur, and that the NNP will emerge as a cohesive government, with both the will and the wherewithal to ensure stability and self-determination for Grenada and its people.

"It is reasonable to regard the rejection of the GULP (led by Sir Eric Gairy) and the Maurice Bishop Patriotic Movement as a rejection of authoritarianism, on the one hand, and of revolutionary violence, on the other.

#### A Vindication

"The Grenadian people have suffered under both. In this context, the large turnout at the polls seems a vindication of the electoral process.

"Grenadians, following their experience of mongoose gang under Gairy, and the Bishop coup which degenerated into a bloody power struggle, seem to have opted now for a more moderate, restrained and sober path.

"This may well be part of a general trend in the Anglophone Caribbean, which now seems poised to turn its back an extremism of every kind."

CSO: 3298/258



NAR EXAMINES POSSIBILITY OF MERGING INTO SINGLE PARTY

Port-of-Spain TRINIDAD GUARDIAN in English 13 Dec 84 p 1

[Text] Officials of the National Alliance for Reconstruction (NAR) are addressing themselves to the question of merging into a single political party.

According to a senior official of the NAR, which has brought together the National Alliance (United Labour Front, the Democratic Action Congress and the Tapia Movement) and the Organisation for National Reconstruction (ONR), one point has already been agreed upon--that the new national party would in fact be NAR.

And at a special meeting today of the "contact group" of NAR, emphasis would be placed on the creation of a framework within which the Political Leader of the proposed party would be selected.

But the source, who said he did not wish to prejudice any process for selecting a leader added:

"There is a very strong feeling emerging within NAR that Mr. A. N. R. Robinson (Political Leader of DAC and Chairman of the Tobago House of Assembly) may be supported unequivocally.

"What people are looking for is a leader with impeccable credibility and one who has a certain degree of moral authority, someone who the country can look up to.

"And it was Mr. Robinson who led his party in another convincing win in the recent Tobago House of Assembly elections against the People's National Movement.

"We don't think that any one person would want to put himself before the good of the country."

Leaders of NAR are on the "Contact Team" and the meeting today would also deal with the constitution and policies of the proposed party.

Elaborating on the leadership question, the source said:

"If Mr. Robinson says he is prepared to be in the leadership I have no doubt that the organisational structure and mechanisms necessary for the election of a leader will automatically fall into place."

CSO: 3298/258



FURTHER ASSESSMENT OF TOBAGO ELECTION DEFEAT FOR PNM

Criticism of Chambers

Port-of-Spain SUNDAY GUARDIAN in English 9 Dec 84 p 3

[Article by SUNDAY GUARDIAN Special Correspondent: "Tobago: A Lack of Judgment by PM"]

[Text]

THE political Waterloo that the People's National Movement met in Tobago when it campaigned most unsuccessfully for a majority in the Tobago House of Assembly was no mere accident. Rather, it was carefully crafted and structured by people who allowed arrogance and contempt to overrule their God-given commonsense and capacity for thought.

The leaders in the campaign that the PNM launched in Tobago made many errors. The first error committed was that of not correctly analysing what brought the present regime to power in 1981, and not accepting the significance of the forces that led them to political victory at the general elections of 1981.

In the first place, the ascendancy of the Chambers administration owes everything to happen-stance. Dr. Williams died, and President Clarke chose someone he felt the nation would accept at a time when unity was the overriding consideration. Particularly against the backdrop of the severely declining popularity of Dr. Williams from about mid-1977 until he died, it behoved the President to find at least a soothing, pacifying interregnum.

RECLUSE

It is harsh but true that perhaps the best thing that happened to the PNM in 1981 was the death of Dr. Williams. He had increasingly attracted every criticism and loss of confidence. The country had grown restive, if not "damned vexed" over his indecisiveness, and his lack of leadership. He had become a total recluse, going nowhere and seeing almost no one. Fits of temper began interrupting his normally disciplined state of life. He was an ill man, and perhaps these were some of the results of his illness.

Whatever the reason, the arrogance and contempt that he once cracked with flashes of whiplike brilliance like an intellectual Indiana Jones ("Reiders of the

Lost Ark") suddenly lost their lustre. Fun and picong became mean and vicious and unpleasantly ill-tempered, and no one liked it. There is strong reason to believe that had he lived, his party would have been crushed in the 1981 elections.

His intellect however was not so dimmed as not to recognise this possibility and death loomed as a way of beating the odds, overcoming the opposition, and achieving a place in history that would have been smudged, if not deleted, were events allowed to take their natural course.

So he died. The guns of rage and disgust were silenced and a simple, meek man was appointed in his place. The people who had had enough of the arrogance and seclusion, the indecisiveness and the inhumanity of Eric Williams, suddenly felt that there was new hope. They felt here was a man who would put the wrongs right, who had no axe to grind, who could be humane and worthy of trust, and who would restore leadership that had been lost in a vacuum of waffling.

The population was especially encouraged by the new Prime Minister's announced desire to draw support from any source in his multi-racial society.

So Chambers got his mass support. The interim period between March of 1981 and the next election was a quiet time for the country as it emerged from the strict views of Williams to the beckoning hope of change and improvement.

The lure of better prospects under the new incumbent carried the day in the 1981 campaign. What was particularly convincing was that in his words and in his attitudes, he appeared to be so different, so healthily and vibrantly different to his predecessor of mid 1977 to early 1981. Chambers gave the impression of being a breath of fresh air, cooling antipathy and dissention, inspiring togetherness, and blowing away the stifling stagnancy of arrogance. And what the nation saw, it liked and supported.



Then something happened. Prime Minister Chambers got his sweeping majority and it seems, in retrospect, that he went to that mythical bio-conversation room through which so many politicians go and which produces people totally unrecognisable — both to their followers and to themselves.

When the Racing Complex was stopped, everyone applauded. Here was the man who was going to put all wrongs right. But the noble intentions quickly ran out of momentum. The DC-9 scandal was allowed to vanish into the wild blue yonder. Corruption continued unabated. The man who was pledged to unity became his own force for disunity and disharmony. Wherever he went and spoke, he left discord.

If the people of Mayaro or Tobago, to mention but two areas, were to be asked whether they were happier and more harmonious after the visit of Chambers, they would most emphatically reply in the negative.

Ostracisms are now back to their normal levels as anyone who fails to say "aye" is quickly side-tracked and forgotten. Vindictiveness abounds, with Ministers themselves asking for lists and data on anyone they suspect of not falling down and adoring them.

#### HOSSES

Paternalism has reached a new high, and arrogance and contempt have topped the point where the head of a critically important, government-controlled news and entertainment medium, can be placed on a public relations committee of the PNM without the slightest worry or concern. The attitude seems to be — "we like it so," and those who don't like it can do what they wish.

To compound matters, the Chambers administration has once again slipped into the former habit of not dealing with important issues. ISCOTT is allowed to continue at the monumental loss of over \$1 million a day. It is easier, according to PNM thinking, for the population to do without goods and foodstuffs than to remedy the big steel, and the other profligate wasters of public funds. Pride, they say, comes before the fall, and perhaps one fall in Tobago isn't enough to drive the lesson home.

Wherever one looks there is only one impression to be gained, namely, no action, no decision, and appeasement under confrontation. The pig farmers are dissatisfied, they demonstrate, they get what they wish. One of the biggest finan-

cial and human drains in the country, DEWD, simply has to mount a noisy demonstration of its many alien workers to get all the millions it wants...even as the derelicts of Tamarind Square fester in their sores and belch the wind of starvation.

Agriculture and tourism are likewise two major areas that have been given verbal identification...but practical indifference. Unions that support the PNM never have to face realities of

economics or logistics. The Public Service remains uninspired and demotivated.

In the last local government elections, Prime Minister Chambers demonstrated puerile traits by refusing to support party candidates because he did not approve of some of them. Or was it indecision? Because the impression the public got over Grenada of October, 1983, is not so much one of principled position, but one of indecision. Rather than do something, he opted to do nothing.

This column, in an article one year ago, disagreed with the way Chambers handled the Grenada problem, moreso as he was made to look inept and incompetent by Eugenia Charles.

Stung by the thrashing dealt the PNM by the Alliance in the local government elections and the control they gained over certain councils, he decided to go in full force to Tobago but in a manner that really gives substance to the old proverb of "a bull in a China shop."

He treated the House of Assembly with disdain. He refused to pay the basic courtesies. He showed an abominable lack of good manners. And the same lack of judgment in dealing with Grenada, he re-established and re-affirmed in Tobago where the party leaned heavily on the hoary and worn-out formulae of poison pen letters, smear campaigns, and just plain damnably bad lies.

For the government to go to Tobago and make accusations of lack of accountability is the height of brass-facedness. This is the Government that has never once laid accounts on the table in connection with ISCOTT but which is asking Tobago to account for fractional expenditures.

This is the Government that throws money away after DEWD and is unable to find supportive evidence as to where the money was spent, but which can go to Tobago and ask for accountability. This is the Government where under nearly every project is the stench of doubt and corruption, but which can go to Tobago and ask for accountability.

No one was fooled, and the anger and derision of the Tobagonians registered in the vote.

Precisely why Chambers chose Tobago to let down the gauntlet is one of those mysteries that someone from inside the PNM will have to write about in years ahead. But from evidence on hand, it remains a total mystery even to the most ardent PNM supporters and stalwarts. Williams at least had the good sense to leave hopeless situations alone. Not Chambers! He wanted to revive the dead, but the last time that was done was 2,000 years ago, and it wasn't Chambers who did the job.

The entire population in Tobago was insulted by ignoring and excoriating the THA. The attempt to smear ANR Robinson in a place where he is clearly king is as foolish and as futile as trying to smear Dr. Williams when he was king in the early 1950s.



But this is no longer the fifties. This is 1984 and the charisma of a young Williams is long since dead. The days when the PNM held sway and did precisely as it wished have likewise expired, as the last two elections have clearly shown.

Any hope of salvaging integrity and charisma vanished when the PNM failed to dissociate itself from, and condemn, the entirely false story of a Cuban arms cache in Tobago.

The final straw to break the back of PNM's once unbending image of strength came the night of elections of the THA. How impressive, how statesmanlike, how entirely winning it would have sounded had Prime Minister Chambers sought a minute of time on television that night to concede victory, to congratulate Robinson, to assure Tobago of unswerving support in its development; and then follow it up with the coup-de-grace by assuring Tobago that every promise made by the PNM would immediately be honoured. This would have been not only magnanimity and statesmanship, but would have knocked the props out from under even the most ardent opposition voices.

#### JUDGMENT

Instead, Chambers retired into pique and sulking silence. At least Overand Padmore had the guts to stick it out, but when it came for his turn to say something, instead of being gracious and big,

he sought to be petty by claiming that the PNM had become the victim of misinformation.

The lack of graciousness continued untrammelled even after the election hurrahs had settled down. The Prime Minister was absent from the inauguration ceremony. Frankly, would he have been there had the PNM won?

His lack of judgment, his intense feelings of pique have now become unfortunate traditions which include his lack of sensitivity and good manners in not extending a single word of congratulations to Ray Robinson, Ronald Reagan and Hubert Blaize on their re-elections. Those faults in judgment, and the insensitivity, have not gone unnoticed in the world of calypso.

To put it mildly, Chambers's record is not an impressive one. His already monumental lack of leadership is now looking worse with the declining economic conditions which any sensible Prime Minister would tackle with urgency and would make the topic of a state-of-the-nation address.

We need direction, we need leadership, we need to be told precisely how we are going to handle this matter of declining funds and a questionable economic future. So far we have been left with speculation and disturbing questions. Granted he will give some indication in his Budget, but that is not enough. We desperately need to be spoken to and assured. That is if he feels we the people of the country can be trusted.

#### Robinson's Future

Port-of-Spain SUNDAY GUARDIAN in English 9 Dec 84 p 4B

[Article by Ernest Tracey: "The Tobago Elections: A Post Mortem"]

[Text] The final tabulations of the results of the Tobago House of Assembly elections only confirmed what most people in Trinidad and Tobago had long suspected. It had been an open secret for the last month of the elections campaign that the People's National Movement (PNM) had blown all chances of a victory in Tobago.

The scope of the PNM defeat borders on scandalous for that party. Some heads must roll if for no other reason than saving face as a credible entry in the 1986 general elections. It is not good enough to point to the obvious leadership skills of A. N. R. Robinson as an explanation of the PNM debacle in Tobago.

Nor it is sufficient to point to the blunders of George Chambers and his advisers. The gauche behaviour of the Prime Minister in Tobago was little more than icing on the gift cake that the PNM presented to Robinson and his DAC colleagues.

The PNM arrogance towards Tobago is historic if not endemic. These attitudes were in existence at the time that the Tobago House of Assembly Act was passed



by a PNM controlled Parliament. It stands to reason that no government in power would engineer and approve the mechanism of its own demise.

This, in effect, is exactly what the PNM has inadvertently managed to do. The PNM created its own Frankensteinian creature, the THA, which it can no longer control. On November 26 the THA all but devoured its overly confident PBM creator.

The landslide victory of Robinson and the DAC party in the Assembly elections now creates problems between the sister islands at several levels of interaction. Perhaps the most damaging effect of the sometimes violent and vile struggle between the PNM and the DAC has been the negative identification of the PNM with Trinidad and Tridadians. The invective against the PBM has been unfortunately extended to embrace any Trinidadian. The DAC will have to right this wrong if it is to grow in national significance and stature.

#### Interaction

The large DAC victory also creates a number of additional problems. At the national level, there is the problem of constitutional change. Some change has to be made in the House of Assembly Act which will provide for effective interaction between the rival centres of control. An accommodation has to be reached which will provide increased budgetary autonomy for the local government of Tobago. At the same time there must be the assurance of accountability to the central government.

These functions of local autonomy and central accountability have to exist regardless the nature and scope of party affiliation and representation at either the national or the local level of government.

The present roles and responsibilities of the two levels of government for the planning, implementation and administration of Tobago's development make it difficult, if not impossible, to conduct a comprehensive long-term approach to programme formulation. The lines of management authority between the two levels of government are sufficiently blurred to create problems of overlap, redundancy and ambiguity.

At the international level, there is the problem of protocol. The national government will be increasingly reluctant to delegate the responsibility for development co-operation planning with international agencies to an opposition party in Tobago. Yet, it is only the local government in Tobago which will be able to conduct effective negotiations on the specifics of any development plan originating in Tobago.

Finally, the DAC landslide victory poses a large problem for the opposition party on the matter of leadership. The National Alliance for Reconstruction is composed of four major political parties. Three of the four are based in Trinidad. Each of the four leaders of NAR has expressed the desire to become the Prime Minister of Trinidad and Tobago. Only one leader can be selected to be the candidate for the opposition party. That's the problem. No leader backs away from the perceived destiny of an ambition without a fight.



## Defeat

Robinson's strength is based primarily on his demonstrated ability to convincingly defeat the PNM. This ability could pose a threat to the other contenders for the leadership of the NAR. The strategy of the PNM for the general elections will undoubtedly focus on the leadership problem of the opposition Alliance.

Of the four opposition leaders, Robinson has the greatest number of leadership options. He can select any of the following political futures:

1. Stay on as Chairman of the Tobago House of Assembly, accepting whatever conditions of co-operation are dictated by the PNM.
2. Stay on as Chairman of the THA, working with the opposition NAR for changes in the THA Act which would provide for wider administrative and budgetary autonomy for the THA, as well as increased status, prestige and authority for the Chairman.
3. Try to assume leadership of the opposition NAR and work for the defeat of the PNM in the general elections in order to become Prime Minister of Trinidad and Tobago.
4. Work with the NAR for the secession of Tobago from the unitary state of Trinidad and Tobago. Become Prime Minister of a separate nation of Tobago.

Any of the four scenarios outlined above is possible. The present economic and political conditions suggest that only options 2 and 3 would be seriously entertained by Robinson at this point in time. In view of what we have just witnessed in the recent campaign, however, nothing seems impossible--except the first option.

The size of the DAC victory also has a potential for positive initiative. Because he has demonstrated his strength and now literally owns the Tobago House of Assembly, Robinson can afford to be magnanimous in victory. He could gain additional admiration and support in Trinidad by offering to come to Trinidad for conciliatory talks with the Prime Minister and his Cabinet.

The DAC of Tobago is presently enjoying a position of political strength as a result of its defeat of the PHM. A first strike in the direction of a reconciliation for the sake of effective national government would be a welcome display of political maturity. The time for healing the wounds of a debilitating campaign is at hand. The people of our unitary state would welcome an end of this tribal warfare.

## PNM Assemblyman's Posts

Port-of-Spain EXPRESS in English 12 Dec 84 p 3

[Article by Compton Delph]

[Text] William McKenzie, the lone PNM member of the Tobago House of Assembly, has been given ample opportunity to contribute to the affairs of the House. He has been named to all five standing committees of the Assembly.



The committees were appointed on Monday afternoon when the Assembly held its first meeting following the recent elections and, as was expected, McKenzie got a warm welcome from the DAC majority in the house.

"I want to congratulate the member for Lambeau/Buccoo (Mc-Kenzie) and welcome him back to this Chamber," stated Councillor J. D. Elder. "I want to tell him that he need not feel lonely. As long as I am in the House, I will always support you whenever you bring forward any matter which is in the interest of Tobago," he told the PNM Assemblyman.

And McKenzie, known for his reticence, acknowledged the assurance with a smile. He certainly did not appear lonely, swamped though he was by 11 DAC Assemblymen and three councillors.

At the tea break, he joined with the DAC members in refreshments, an act of camaraderie which was markedly missing from the last session of the House when the PNM opposition stayed away from the tea room.

Earlier, when he had spoken on a Finance and General Purposes Committee report, his contribution was greeted by generous desk-thumping even though he had been critical of the Assembly's provisions of sporting facilities as distinct from financial grants to sporting organisations.

"I am happy that I am here again to serve and I give the House the assurance that I will give all the assistance necessary," he ended.

However, Chairman A. N. R. Robinson promptly reminded McKenzie that the Central Government had withheld every penny of the \$1.2 million parliamentary vote for the development of Tobago Sports in 1983.

"Had the Assembly received that money, the facilities for sport would have been greatly improved," said the chairman.

McKenzie was again appointed to the Standing Committee on Sport where from all accounts during the last session he had made a valuable contribution.

That committee is headed by Assemblyman George Archer who was re-appointed Secretary for Sports and Youth Affairs. Other members are, Assemblymen Clarence Warner and Gerald McFarlane and Councillor J. D. Elder.

The other committees to which McKenzie was elected are:

1. Roads and Buildings of which Hochoy Charles is chairman with the other members being George Archer, Gerald McFarlane, Kenneth Murray and Regis Caruth.
2. Health and Sanitation, comprising Mrs Miriam Caesar-Moore as chairman, Mrs Bernadette Des Vignes, Stanley Baird, Gerald McFarlane, and Everett John.



3. Marketing, comprising Dr Jeff Davidson, chairman, Kenneth Murray and Regis Caruth; and

4. Social Services, comprising Mrs Bernadette Des Vignes, chairman, Stanley Baird, Edwin Caesar and Everett John.

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TRINIDAD AND TOBAGO

ARMS-CACHE STORY CONTINUES TO BE BONE OF CONTENTION

Robinson Complaint

Port-of-Spain TRINIDAD GUARDIAN in English 11 Dec 84 p 1

[Article by Clevon Raphael]

[Text] Elections to the new term of the Tobago House of Assembly are over but one of the controversies which erupted during the hotly contested battle--publication of a story of an alleged arms cache in the sister island--has not yet ended.

At yesterday's first meeting of the THA following the November 26 elections in which the Democratic Action Congress, led by Mr. ANR Robinson, retained control of the Assembly with an increased majority (11-1), Mr. Robinson who was last week re-elected Chairman of the THA, revealed the contents of three letters the THA sent to the President of Trinidad and Tobago, the Director of Public Prosecutions and the acting Commissioner of Police on the matter.

Secretaries in charge of various portfolios were also appointed.

The letters were written following publication in the "Tobago Informer" issue of November 13, 1984, about arms being deposited in King's Bay, Delaford, from a Cuban vessel.

To President Clarke, Mr. Robinson, who informed the President he was constrained to write him as a result of a special meeting of the THA's Finance and General Purposes Committee held on the same day of the publication, pointed out:

"The newspaper also carried on its front page a photograph of what it alleges to be part of the 'arms cache already in Tobago.' The authors of this report are claiming to possess evidence of not only a gross violation of international law but also of the serious and continuing crime against the population of this country.

"This evidence, so far as members of the Assembly are aware, has not been made available to the police.

"The report if based on fact, would of course indicate a gross violation of the sovereignty and territorial integrity of our country and a continuing threat to the safety, peace and security of citizens."



Mr. Robinson further noted that in the context of the elections the report, if unfounded, would suggest a gross attempt to subvert the democratic process by prejudicing the minds of the population against one of the political parties contesting the elections.

The missive did not name the party, but Mr. Robinson was obviously referring to the DAC which eventually defeated the People's National Movement and the National Joint Action Committee.

To the DPP, Mr. Robinson said he had already sent letters to the acting Commissioner of Police and the Senior Superintendent in charge of Tobago on the affair.

Mr. Robinson, in this letter, spoke of anonymous letters circulated in Tobago accusing him and other DAC members of "very serious crimes apart from making other scandalous and provocative allegations about us."

He continued:

"I am now appending to this letter a document issued in the name of a PNM candidate (whom Mr. Robinson named). This document makes similarly and equally false, scandalous and libellous allegations against me personally and members of the DAC. I am calling upon your high and independent office for appropriate action."

Mr. Robinson was appointed Secretary for Finance, Tourism, Economic Planning, Legal Services and the Utilities; he will be assisted by Assemblyman Clarence Warner; Assemblyman Dr. Jeff Davidson is Secretary for Agriculture, Fisheries, State Lands and Marketing Supplies. His assistant is Councillor Regis Caruth.

Assemblyman Hochoy Charles was re-appointed Secretary of Works. Councillor Dr. Jacob D. Elder, is Secretary for Culture, Education and Specialised Agencies. He will be assisted by Assemblyman Gerald MacFarlane and Assemblyman Stanley Beard, two newcomers to the THA.

Assemblyman George Archer takes the portfolio as Secretary of Sports and Youth Affairs, with another newcomer, Assemblywoman Mrs. Miriam Caesar Moore, Secretary for Health.

And Assemblywoman Mrs. Bernadette Des Vignes, who retained her seat in the Moriah/Parlatuvier constituency, is Secretary of Social Services.

#### Call for Action

Port-of-Spain EXPRESS in English 13 Dec 84 p 8

[Editorial: "Why the Delay by DPP in Arms Issue?"]

[Text]	WINGS adhered to the feet of our police when Yvonne Caruth, wife of a DAC candidate, was	accused of throwing an egg at a PNM platform during a recent political meeting in Tobago. She
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promptly found herself answering to a magistrate as to why she was so rash. The fact that the case was laughed out of court is not pertinent here. The fact is that the law intervened with commendable efficiency when the governing party's right to hold uninterrupted public meetings seemed at stake.

A similar alacrity marked the action of our National Security Minister, John Donaldson, when EXPRESS editor-in-chief, Owen Baptiste, threatened to comment on his crabs-in-a-barrel speech at the height of the same House of Assembly election campaign two weeks ago. The Minister found himself in the courtroom within hours of the *Sunday Express* blurb which gave notice of the coming column. He put paid to all our plans to publish.

Which is why we find it quite mystifying that our Director of Public Prosecutions has not yet found time to take action on the

mischievous article carried by the Tobago Informer (November 13) headlined "Cuban Vessels in King's Bay". We know that it is not because our Government is unconcerned about the abuse of press freedom. We have heard them lament the shortcomings of our media on sufficient occasions and in sufficient fora to rest assured that they do not intend to allow the established media to slip up in carrying out its responsibilities.

Apparently our Director of Public Prosecutions, Clebert Brooks, has not been properly briefed about the urgency of matters related to the just concluded elections. One month after the publication of the completely fictitious article, and misleading picture, he is saying that the matter "will be investigated." We are very curious why the future tense is still being

employed. No doubt there is a good explanation, but as practitioners of press freedom ourselves, we are wondering if this is the normal course of such matters.

Mr Brooks told members of the press that "he does not know" whether the editor of the paper, Dr. Winston Murray, had been interviewed. We would not wish to accuse him of insolence or of criminal dereliction of duty. But since a public official, Mr A.N.R. Robinson, Chairman of the Tobago House of Assembly, has written to both Mr Brooks himself, and President Ellis Clarke, on the matter, and has spoken to acting Commissioner Clive Sealey, we cannot assume that Mr Brooks' inaction can be put down to mere pussy-footing. There must be some concerted plan on the part of these highly responsible officers of our Republic to apprehend the offender in this matter.

We do not wish to believe they would like a repetition of the deplorable Johnny O'Halloran affair, when the accused was allowed to flee the country after stealing from the country's coffers while holding government office. We do not wish to have a situation arise as happened with the Rudolph Regis issue, when a young man lay dead after an incident involving a police officer and the DPP's office and the police continued to dither for weeks until sufficient public ferment forced them to take action.

But Justice Lennox Deyalsingh's comments on the actions of the Police in matters that seem to have a political colouration weigh heavily with us. His judgment in the Prakash Singh squatting matter leaves us uneasy as to the absolute impartiality of our law-enforcement agencies.



Which is why we are calling on President Ellis Clarke to take some action on this Tobago Informer issue. The doubts that we have expressed are reasonable ones, and they have implications for the entire foundation of our democracy. We would hope that President Clarke would honour, not only the Chairman of the Tobago House of Assembly with an answer, but the Trinidad and Tobago public as well.

### Public Right-To-Know Issue

Port-of-Spain EXPRESS in English 13 Dec 84 p 8

[Article by Andy Johnson: "Does the Public Have a Right to Know Anything in this Country?"]

[Text] **THE LATEST** piece of spinelessness by the Director of Public Prosecutions gives rise once more to the question of whether the government of this republic really believes in the part of its constitution which talks about freedom of the press.

I am convinced that even if the ministers, permanent secretaries and chief executives of those state corporations and statutory boards granted us that freedom willingly, which they don't, they surely do not have anything to do with its corollary — the public's right to know.

The fact of the matter is that in the absence of an established right to know what is happening in the country, the value of a free press is null and void. Cunningly, this government talks, boasts rather, about the freedom of the press as one of the hallmarks of a great society given to the rule of law and order. But it does that only because it knows that information vital to the proper functioning of the society for the well-being of the citizens is not a commodity to which it subscribes and that whatever the people come to know or find out is only by chance.

Mr Brooks' silly refusal to comment on whether he has begun to investigate a matter reported to him three weeks ago about the presence of arms in Tobago, and whether he even called in or

sought to call in the editor of the paper which published that information, is cause enough for him to be fired.

He simply is not doing his job if after three weeks, independent as the Attorney General insists he is, he has not sought to verify what was made out to be a gross breach of the country's national security.

But then the government knows why it would have such an incumbent in a job like that. He never comments on anything unless it is clear that he has got orders or when it is obvious that his actions would not lead to any public discussion of his role.

Does the public not have a right to know if the government is taking this matter seriously? Or are we to assume that there is, in fact, substance in the rumour that the misleading information was put out by a desperate man who

was working in the interest of the People's National Movement, for the purpose of prejudicing the electorate in Tobago away from the Democratic Action Congress?

Who will answer these questions and should they not be answered? Who cares whether they are? Well, some of us think they should, and we care, despite what some readers believe, that the action in the interest of getting the facts in this newspaper stems from some sinister plan to continually embarrass or bring down the government.



The acting Commissioner of Police, for his part, has not done anything about this matter, as far as we can tell. There has been no announcement about persons held for questioning, as the officers are wont to do when they arrest and detain this or that person for crimes which, to the more cynical among us, seem unrelated to the detainees.

In fact, in the days before we exposed the arms story as a hoax, an operative in the office of the Police Commissioner bluntly and high-handedly said that the Commissioner was not even going to entertain the matter.

This means, if we are not to read motives into this suspicious affair, that the Police Commissioner did not take seriously a story in a newspaper talking about a breach of the country's national security. Has anybody in the Government sought to find out from the department whether this is the way the job should be done?

Policemen shoot and kill unarmed citizens in questionable circumstances and when we try to find out the score, they take months, arrogantly dancing around, saying that an investigation is being done and citizens simply have to wait until they are good and ready to tell the public whatever they please. They use the media to propagate their own version of the "facts" and simply refuse to answer questions which may not fall under what they have in mind to answer.

The Prime Minister makes statements and then turns around and says he did not say that. The government is involved in an issue and the questioning leads all the way to Whitehall. But the Prime Minister has no press secretary and there is no established system by which the press could put questions directly to the Prime Minister's office.

The security officers forbid reporters from going to Whitehall for the legitimate purpose of questioning Mr Chambers about anything which may be of interest and we simply have to wait until he decides to make a statement or when he calls a news conference, when he says he would not answer this or that question because it has nothing to do with the matter at hand.

There is a Ministry of Information whose business is not to give information to the media and to

the country about matters in which the media has its own concerns. In fact, the Ministry of Information, as most news people in this country understand it, is a con job. Its purpose is to disseminate government propaganda, plain and simple. And very often another ministry or department would refer reporters to the Ministry of Information, knowing full well that Miss Green and company do not have the slightest idea of what we are looking for.

This deep-seated arrogance and disdain for the media in this country is not only counter-productive, it is destructive. It would lead to an even more bitter relationship between the fourth estate and the executive and it makes for such situations as the fiasco in Grenada last year, when the media in general felt under no obligation to support the government's view of that situation and the stand it took.

But rhetoric has a way of catching on and some people take public pronouncements pretty seriously. So that after a while, the lip service that Mr Chambers, Mr Ince and company pay to this freedom of the press would come back to haunt them. I would do whatever I can to help bring this about, always striving to be as efficient and professional as I must in maintaining the people's Right To Know.



## TRINIDAD AND TOBAGO

### BRIEFS

CABLE TO TOBAGO--The second submarine power cable linking Trinidad to Tobago was laid last Monday at a total cost of \$6.7 million. The 33 kilowatt, 15 megawatt cable will transmit electric power from Toco sub-station in Trinidad to Milford Bay sub-station, Tobago. It was installed to improve the reliability of the supply to Tobago and to cater for the growing demand of electricity in the island. This second cable will be capable of transmitting five megawatts more than the existing cable. The laying of the 45-km (28.1-mile) cable was carried out by Mitsui and Company Limited of Japan. The exercise began at 5.30 a. m. and lasted about eight hours. Minister of Public Utilities and National Transportation, Senator John Eckstein, was at Milford Bay to witness the cable being pulled ashore in Tobago. Accompanying the minister were a number of officials from the commission, including Leo Martin, general manager, Len Marshall, chief engineer distribution, Denis Singh, engineering services and planning superintendent, and Marcus Nelson, Tobago area superintendent. The installation of this new submarine cable forms part of an extensive electricity development programme which is already in progress in Tobago. [Text] [Port-of-Spain EXPRESS in English 10 Dec 84 p 6]

EXTERNAL ASSETS--Trinidad and Tobago's external assets stood at just over \$3.4 billion at the end of last month, according to the Central Bank's weekly statement of accounts published in the latest issue of the Gazette. Balances and investments amounted to \$3,156,657,000; gold subscriptions to the International Monetary Fund stood at \$25,402,000, and the IMF Special Drawing Rights Allocation was \$262,646,000 giving a total of \$3,444,705,000. Trinidad and Tobago Government Securities amounted to \$74,292,000. Other assets included Trinidad and Tobago Dollar Securities--\$30,018,000; Fixed assets--\$262,209,000; Other assets--\$433,418; Advances to Government authorities--\$82,638,000 and Advances to Commercial Banks--\$46,000,000. Among the listed liabilities were currency notes which stood at \$798,036,000 and coins amounting to \$37,165. Deposits at commercial banks stood at \$1,296,488 and in non-banking financial institutions at \$73,128,000. Deposits, as a whole, stood at \$2,283,947,000. [Text] [Port-of-Spain EXPRESS in English 11 Dec 84 p 2]

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